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SAN FRANCISCO HOUSING AUTHORITY
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NOTICE

THE REGULARLY SCHEDULED MEETING OF THE
SAN FRANCISCO HOUSING AUTHORITY COMMISSION
WILL BE HELD ON THURSDAY, SEPTEMBER 12, 2002 AT 4:00 P.M.
AT 440 TURK STREET, SAN FRANCISCO, CALIFORNIA, 94102

AGENDA
September 12, 2002

1. ROLL CALL

Sululagi Palega, Sr., President
Julie Lee, Vice President
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

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SEATING OF NEW COMMISSIONER: NEOLA GANS

2. APPROVAL OF AGENDA

3. APPROVAL OF MINUTES

- August 8, 2002 Regular Commission Meeting
- August 22, 2002 Regular Commission Meeting

4. GENERAL COMMUNICATIONS

5. REPORT OF SECRETARY

- Report regarding the number of vacant units and schedule for occupancy or other disposition
- Status Report: Sexual Harassment Awareness Training for Supervisors and Line Staff

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6. COMMITTEE REPORTS

Diversity Committee - Nothing to Report
Finance Committee – Nothing to Report
Personnel Committee – Nothing to Report

7. REPORT OF GENERAL COUNSEL

- Reminder of Annual Meeting and election of President and Vice-President at the second regularly scheduled meeting of the Commission on September 26, 2002
- Confirmation of meeting of Joint SFHA/ SFPD Commission on September 23, 2002, 2:00 p.m. at Plaza East
- Status of Lease Enforcement Action at the Sunnydale Development

8. TENANT REPRESENTATIVE REPORT:

City Wide Council - Senior/Disabled
Public Housing Tenants Association (PHTA)

9. PUBLIC COMMENTS ON AGENDA ITEMS: LIMITED TO 2 MINUTES

NOTE: *The public will have the opportunity to comment on agenda items prior to any action taken by the Commission pursuant to the San Francisco Housing Authority Rules Governing Public Testimony adopted 2/23/95 as Resolution No. 4423. Prior to adjournment, after Item No. 11, the public will have the opportunity to comment on items not on the agenda.*

10. NEW BUSINESS

(A) RESOLUTION APPROVING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE SAN FRANCISCO HOUSING AUTHORITY AND THE LABORERS' INTERNATIONAL UNION LOCAL 261

(B) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACTS WITH LIN + MEINHARDT AND WITH GREG ROJA & ASSOCIATES TO PROVIDE ARCHITECT/ ENGINEER CONSULTANT SERVICES ON AN AS-NEEDED, TASK ASSIGNMENT BASIS FOR ALL DEVELOPMENTS IN AN AMOUNT NOT-TO-EXCEED $165,000 FOR EACH CONTRACT OVER A TWO-YEAR PERIOD

(C) RESOLUTION AFFIRMING CIVIL RIGHTS POLICY OF THE SAN FRANCISCO HOUSING AUTHORITY

(D) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO INCREASE THE ENCUMBRANCE ON PURCHASE ORDER NO. 025225 BY $30,000.00 TO PAY ISAAC'S RELOCATION MOVING AND STORAGE FEES FOR THE REMAINDER OF THE 2001-2002 FISCAL YEAR

(E) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH HABITAT FOR HUMANITY SAN FRANCISCO IN ORDER TO CREATE AFFORDABLE HOME OWNERSHIP OPPORTUNITIES FOR LOW INCOME SAN FRANCISCO HOUSEHOLDS, INCLUDING PUBLIC HOUSING, SECTION 8 AND OTHER FAMILIES, ON SURPLUS PUBLIC PROPERTY

(F) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CDX BUILDERS, INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE KITCHEN RANGE HOOD AND CABINET WORK AT CAL 1-15, PING YUEN, FOR AN AMOUNT NOT-TO-EXCEED $338,000.00

(G) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A ONE-YEAR AGREEMENT WITH MORRIS, DAVIS & CHAN, LLP TO PROVIDE ANNUAL AUDITING SERVICES FOR THE SAN FRANCISCO HOUSING AUTHORITY IN AN AMOUNT NOT TO EXCEED $163,500.00

12. PUBLIC COMMENTS ON ITEMS NOT ON AGENDA

13. COMMISSIONER'S COMMENT AND REPORT

14. CLOSED SESSION

A closed session is scheduled with the Executive Director and General Counsel under Government Code 54957 regarding the Employment Agreement between the Executive Director and the San Francisco Housing Authority; also discussion with the Executive Director and General Counsel regarding Scott v. SFHA and USA v. SFHA

15. RECONVENING OF COMMISSION MEETING

16. ADJOURNMENT

GREGG FORTNER, Secretary/Executive Director

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Commission Meeting

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AGENDA
September 12, 2002

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Sululagi Palega, Sr., President
Julie Lee, Vice President
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

SEATING OF NEW COMMISSIONER: NEOLA GANS

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15. RECONVENING OF COMMISSION MEETING

16. ADJOURNMENT

GREGG FORTNER, Secretary/Executive Director

HOUSING AUTHORITY
OF THE
CITY AND COUNTY OF SAN FRANCISCO

Minutes of Regular Meeting
Thursday, August 8, 2002

440 Turk Street
San Francisco, California

The Housing Authority of the City and County of San Francisco met in a regularly scheduled meeting at 440 Turk Street, San Francisco, California on Thursday, August 8, 2002, at 4:00 p.m.

President Palega called the meeting to order at 4:13 p.m.

1. ROLL CALL

Roll call found the following members to be:

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PRESENT: *Sululagi Palega, Sr., President*
Julie Lee, Vice President
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner
Rev. Edgar E. Boyd, Commissioner (arrived at 4:18 p.m.)

ABSENT (Excused): *Shirley Byrd, Commissioner*
A quorum was present.

ALSO PRESENT: *Mr. Gregg Fortner, Executive Director/Secretary*
Mr. Carl L. Williams, General Counsel

2. APPROVAL OF AGENDA

President Palega requested a change to the agenda, because the Resolution pertaining to "New Business 11(C)" had been amended. The "Amended Resolution" is the one that was considered by the Commission when "New Business 11(C) was called at the meeting. Executive Director Gregg Fortner requested that "New Business 11(E)" not be considered by the Commission on this agenda. Commissioner Clark moved to amend the agenda as requested by President Palega and Mr. Fortner. Betty Smith seconded the motion. The motion was carried by a unanimous vote.

Commissioner Clark moved to approve the agenda and Commissioner Brown seconded the motion. The motion was carried by a unanimous vote.

3. APPROVAL OF MINUTES

Commissioner Brown moved to approve the minutes of the July 25, 2002 Regular Commission Meeting and Commissioner Clark seconded the motion. The minutes of the July 25, 2002 Regular Commission Meeting were approved by a unanimous vote.

4. GENERAL COMMUNICATIONS

Executive Director, Gregg Fortner reported on the updated Commission Request Log. Progress is being made towards having a tenant representative from a family site present at the Commission Meetings. The newly elected President of Hunter's View, Tessy Esther, is being encouraged to attend the next Commission meeting. The joint meeting of the San Francisco Police Commission and the Housing Authority Commission has yet to be scheduled due to the change in administration at the SFPD. At the next Commission Meeting, the Director of Security, Jim Williams will have a status report regarding the performance of SFHA security firms. Finally, Mr. Fortner included Commissioner Lee's article "Chicken Wings and Tea" and a print out of the SFHA website describing the SFHA Commission, in his report.

5. REPORT OF SECRETARY

Executive Director Gregg Fortner reported that a groundbreaking ceremony for the $106 million dollar, North Beach Hope VI development, is tentatively scheduled for October 7, 2002 at 11:00 a.m. Scheduling coordination is involving the Mayor's office, Congresswoman Nancy Pelosi's office, and Senators Boxer and Feinstein's offices. The groundbreaking ceremony for Clemetina is being scheduled for the week of October first. As requested by the Commission, on August 27, 2002 at 3:00 p.m., a reception for Police Chief Sanders will be held at Rosa Parks, hosted by the SFHA. Mr. Fortner provided an update of a previous Commissioner, Marisa Moret, who is now the Managing Attorney for the City Attorney's Office. Lastly, Mr. Fortner presented framed certificates for completing an Advance Commissioner's Class to President Palega, Commissioner Lee, Commissioner Boyd, Commissioner Smith, Commissioner Brown, and Ignatius Leonor.

6. COMMITTEE REPORTS

Diversity Committee
Nothing to report.

Finance Committee
Nothing to report.

Personnel Committee
Nothing to report.

7. REPORT OF COUNSEL

General Counsel, Carl Williams reported that he would take up several matters during the closed session.

8. TENANT REPRESENTATIVE REPORT

City Wide Council - Senior/Disabled
President William Vitale of the City Wide Council-Senior/Disabled expressed concerns of the inaccessibility of the Rosa Parks computer center to the senior and disabled community.

Public Housing Tenants Association (PHTA)
Nothing to report.

9. PUBLIC COMMENTS ON AGENDA ITEMS: LIMITED TO 2 MINUTES

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There were no public comments on agenda items.

10. UNFINISHED BUSINESS – None.

11. NEW BUSINESS:

(A)

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH GOLDFARB & LIPMAN FOR TRANSACTIONAL LEGAL SERVICES PERTAINING TO HOPE VI AND OTHER HOUSING AUTHORITY DEVELOPMENTS FOR AN AMOUNT NOT TO EXCEED $450,000

Barbara Smith, Housing Development and Modernization Administrator, presented the details of this resolution. This resolution would authorize the Executive Director to enter into contract with Goldfarb and Lipman to render legal services that pertain to Hope VI, and the Clementina Towers with TODCO. An extensive procurement process was performed through outreach to forty-six firms and other housing authorities were contacted to obtain the names of firms they had worked with. Proposal submissions were

accepted from November 2001 to January 2002 and seven were received. The selection panel was comprised of the Legal Counsel from the San Francisco Redevelopment Agency, and two SFHA Senior Project Managers. The firms were evaluated according to their experience in providing legal services for multifamily development, experience in housing and finance law, working with HUD programs, their familiarity with California Constitutional Municipal law, their reputation as legal counsel, expected compensation, MBE/WBE participation, their ability to expedite the workload, and their willingness to comply with the resident hiring stipulation. Goldfarb and Lipman ranked number one in all categories. In addition, Ms. Smith reported that Goldfarb and Lipman had just permanently hired an SFHA resident full time. TARC has approved the solicitation and commended the SFHA for such an extensive outreach and procurement process. Ms. Smith explained that during these last four to six weeks before the North Beach closing date, a considerable amount of work must be done in order to complete the ground lease agreements, regulatory and operating agreements, management agreements, and the management plan. Legal services pertaining to Valencia Gardens and the Clementina Towers would also be rendered.

Commissioner Boyd asked the General Counsel, Carl Williams whether he has a conflict of interest on this matter because he sits on three boards that deal with Goldfarb and Lipman. Mr. Williams replied that a conflict of interest does not exist because Commissioner Boyd has no financial interest in this contract and the work to be performed does not overlap into the dealings of the other boards he may sit on. Mr. Williams added that if there is a conflict, in the past, Goldfarb and Lipman would bring it to the SFHA's attention and if it's appropriate to do so, the SFHA would waive the conflict. Commissioner Boyd expressed that he was impressed with Goldfarb and Lipman for hiring an SFHA resident as a full time employee. He commented that it speaks to their merit and the merit of the residential hiring program. Commissioner Boyd also commended and thanked staff for presenting the best firm for the job.

President Palega asked if the SFHA was already under a contract with Goldfarb and Lipman, and if so, then why was this contract necessary. Executive Director Gregg Fortner and Barbara Smith explained that the previous contracts for the Hope VI Developments were all exhausted, thus a new procurement process was initiated and Goldfarb and Lipman excelled above other prospective firms.

Commissioner Clark requested that the vote for this agenda item be taken after discussing the litigation issues in closed session.

Commissioner Brown asked General Counsel Carl Williams to readdress Commissioner Boyd's question if a conflict of interest exists in regards to the Goldfarb and Lipman resolution. Mr. Williams reiterated that because Commissioner Boyd has no financial interests in the matter before the Commission, nor are the other boards, that he is

involved with, connected to the SFHA in any manner, a conflict of interest does not exist regarding this resolution.

Commissioner Brown asked how much was the last contract with Goldfarb and Lipman. Barbara Smith answered that the last contract was awarded in 1996 for $450,000.00 to close Hayes Valley, Bernal Dwellings, Plaza East, and perform the preliminary work on North Beach, Valencia Gardens, and Clementina Towers. That contract was periodically amended to perform further work. President Palega asked for the total amount paid to Golfarb and Lipman to this date. Ms. Smith responded that $931,945.00 has been paid to Goldfarb and Lipman. The costs are declining due to Goldfarb and Lipman developing an expertise in closing the Hope VI projects. General Counsel, Carl Williams clarified that these matters are complex real estate and tax credit transactional issues and aren't involving any litigation. President Palega then entertained Commissioner Clark's request to revisit this item after the closed session.

(B) RESOLUTION No. 5041

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH QUALITY ASBESTOS CONTROL, INC. TO CONDUCT LEAD HAZARD REMEDIATION AT CAL 1-1, HOLLY COURTS, IN AN AMOUNT NOT TO EXCEED $62,991.00

Barbara Smith, Housing Development and Modernization Administrator, presented the specifics of this resolution to authorize the Executive Director to enter into contract with the low bidder for remediation and stabilization of 63 units at Holly Courts. Holly Courts was partially abated in 1996, but 63 units still needed to be stabilized whereas flaking paint would be removed, and dusty paint would be sealed in order to prevent a lead hazard situation. Ms. Smith added that stabilizing lead based paint that could potentially pose a hazard is required by HUD. A thorough procurement process was adhered to as bidders were solicited through various newspapers, websites and contacts. Quality Asbestos Control was the lowest bidder of three submissions.

Commissioner Boyd asked if Quality Asbestos Control specified the training process for resident employees to ensure their safety when dealing with hazardous materials. Richard McGuire, Senior Industrial Hygenist responded that the resident employees will receive a one day training through an SFHA vendor, where they will have to pass a physical and wear a respirator throughout the training. Ms. Smith also added that Quality Asbestos Control has agreed that 30% of the employees for this project will be residents. Commissioner Boyd expressed that such an agreement increases the sentiment of the Commission to pass this resolution and requested that it be included in the official report in the future

President Palega asked which company would be performing the training. Mr. McGuire responded that more than likely, IET in Oakland, will be utilized. President Palega then

requested that Mr. McGuire investigate the Community College which also certifies individuals in asbestos control.

Commissioner Clark asked if it had been confirmed that Quality Asbestos Control is not on the Debarred List. Mr. McGuire added that as a part of the approval process, it was confirmed that Quality Asbestos Control is not on the Debarred List.

Commissioner Clark moved to approve Resolution No. 5041 and Commissioner Boyd seconded the motion. Resolution No. 5041 was passed by a unanimous vote.

(C) RESOLUTION No. 5042

RESOLUTION RATIFYING AND AUTHORIZING THE EXECUTIVE DIRECTOR TO MAKE PAYMENTS TO THE NATIONAL CREDIT REPORTING COMPANY FOR PROVIDING CRIMINAL AND CREDIT BACKGROUND REPORTS OF APPLICANTS FROM THE AUTHORITY'S WAITING LIST FOR PUBLIC HOUSING AND THE SECTION 8 VOUCHER PROGRAM IN THE AMOUNT NOT TO EXCEED $235,000.00 [AMENDED]

Naja Boyd, Acting Deputy Executive Director reported that the National Credit Reporting Company conducts all of the background checks for approval to the Public Housing and Section 8 programs. This company has been utilized since 1991 for credit checks and unlawful detainer reports. Earlier this year, 6,000 Section 8 vouchers were mandated to be distributed to the qualifying public. Due to the excessive increase in the volume of security reports, the SFPD stopped providing the security background check. Because this is necessary for the screening process, the SFHA asked the National Credit Reporting Company to expand their background check to include the security, sex offender, and social security checks. This increased the costs to $33 per applicant from a previous charge of $10 per applicant. The over budget expenditures were not realized until the June bills were received and costs were much more than expected. The known costs incurred to date are $229,000. As of August 6, 2002 all services were stopped, but the first three business days of the month are unaccounted for. Thus, the $235,000.00 provides the leeway to ensure that monies are available to cover the August bill.

President Palega requested clarification as to how $235,000 became the total. Mike Roetzer, Administrator for Management Services and Support reiterated what Ms. Boyd said, and added that outsourcing the criminal background checks to a local law enforcement agency is being investigated. The Sheriff's Department is an option being developed. The next step is to notify them of the volume, and establish the process and price. Mr. Roetzer added that with the Sheriff Department's services, a statewide criminal background check would be provided.

In response to Commissioner Clark's question, Ms. Boyd stated that the SFPD was providing this service free of charge, but as of April 2002, they decided to stop and now these are the incurred costs through NCR.

Executive Director Gregg Fortner interjected that this situation caught the staff by surprise and decisions were made that were the most expeditious, but not the most financially feasible. As the consequences of these decisions were revealed, every effort was made by staff to rectify the situation and strengthen the SFHA infrastructure.

Commissioner Clark asked if these expenses are already incurred. Mr. Fortner responded that they were. Mr. Fortner explained that an employee in the Procurement Department noticed that an excessive amount of invoices were being received, with each total just under $25,000. Mr. Fortner then asked Rene Latosa to explain what measures have been put in place to prevent this from happening in the future.

Mr. Latosa, Director of Contracting explained that all buyers will monitor procurement irregularities or invoices which exceed $15,000. The Finance Department is responsible for producing a monthly report detailing departments approaching expenditures of $15,000.

Commissioner Boyd asked, how long the criminal background checks are good for, and will the projected goal be attained. Larry Andrews, Administrator for Section 8 Housing responded that approximately 4,000 applications have been cleared and this is sufficient to achieve the 2,000 voucher lease-up goal. Mr. Andrews added that the applicants clearance is good for up to 90 days. Commissioner Boyd then asked if there are other vendors that can perform the same task at a lower cost to the Housing Authority. Mr. Roetzer responded that after doing an internet search, it was discovered that there are a number of companies that provide this service. The benefit of contracting with a law enforcement agency is that they can do a statewide background check, whereas private companies only provide a countywide search.

Commissioner Clark requested that the SFPD continue to be an option because the costs incurred through this private company are very expensive. Mr. Larry Andrews assured Commissioner Clark that a public agency is the SFHA's number one alternative and this is being thoroughly investigated.

Commissioner Lee questioned whether the price had fluctuated since the SFHA began doing business with NCR in 1991. Mr. Latosa responded that he was unsure as he only noted the most recent costs. But he will attempt to negotiate the inflated costs to a lower amount. Commissioner Lee requested that the SFHA investigate investing in software that checks the credit history of applicants. She further stated that this will ultimately save the Agency money. Executive Director Gregg Fortner assured Commissioner Lee

that this process is being reevaluated to produce the most efficient and cost effective option for the Housing Authority.

Commissioner Brown expressed his discontent with the number of resolutions coming before the Commission on items where the expense has already been incurred.

Commissioner Boyd moved to approve Resolution No. 5042 and Commissioner Clark seconded the motion. The motion to approve Resolution No. 5042 was carried by a unanimous vote.

(D) RESOLUTION No. 5043

RESOLUTION TO ACCEPT 2002 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDING AND ACKNOWLEDGE AWARENESS OF RESPONSIBILITIES AND LIMITATIONS FOR 504 COMPLIANCE WORK AT CAL 1-3, SUNNYDALE STATE PRE-SCHOOL

Alicia Sisca, Senior Project Manager for Housing Development and Modernization stated that the Housing Authority received a grant from the Mayor's Office of Community Development in the amount of $200,000 to perform accessibility improvements on the state-run Sunnydale Pre-School center. These improvements are necessary so the school will be in compliance with city and federal codes. Currently, the school is unable to accommodate disabled students and parents. In addition, the windows will be replaced with energy efficient windows.

In response to President Palega's question, Ms. Sisca confirmed that this will be enough money to complete the ADA upgrades. President Palega then asked who will be performing this work. Ms. Sisca stated that the normal procurement process to solicit various bidders, will be adhered to.

Executive Director, Gregg Fortner clarified per Commissioner Brown's question that this funding is coming from a source other than HUD and therefore must have Commission approval to accept it.

Commissioner Brown moved to accept Resolution No. 5043 and Commissioner Smith seconded the motion. The motion to accept Resolution No. 5043 was passed by a unanimous vote.

12. PUBLIC COMMENTS ON ITEMS NOT ON AGENDA

There were no comments on items not on the agenda.

13. COMMISSIONER'S COMMENT AND REPORT

Commissioner Clark requested that in addition to the report of the performance of the security firms at the August 22nd Commission Meeting, that a letter be written to the Chief of Police asking for the crime reports that have taken place in and around SFHA properties. President Palega commented that Mr. Jim Williams, Director of Security already receives these reports. Commissioner Clark then requested that a summary of these reports be presented with the security performance report so that the Commission can make an informed decision as to how to deal with this problem. General Counsel, Carl Williams informed the Commission that the Office of General Counsel regularly receives crime reports from the SFPD and incident reports from the security firms. These reports are often used as a basis to determine whether lease violations exist. Commissioner Boyd asked that staff investigate how security can be more appropriately deployed as to avoid harm and loss of life. In addition, Commissioner Boyd asked that staff closely monitor the fluctuation of security costs and security services provided. If any significant increases or decreases arise, the Commission should be notified in a timely manner, so that costs will not be incurred prior to Commission approval.

14. CLOSED SESSION

President Palega announced that the Commission had concluded its public agenda items and would go into closed session. As permitted under Government Code Section 54956.9 (a) regarding pending litigation, *Thelma Walker v. San Francisco Housing Authority;* and potential litigation (case name unspecified to avoid jeopardizing existing settlement negotiations; and consultation with General Counsel regarding employment agreement between Executive Director and San Francisco Housing Authority. The commission went into closed session at 5:30 p.m.

15. RECONVENING OF THE COMMISSION MEETING

The Commission reconvened at 7:44 p.m. The Commissioners present in the closed session were President Palega and Commissioners Smith, Brown, Clark, Boyd, and Lee. Commissioner Byrd was not present. Commissioners Boyd and Lee excused themselves before the reconvening of the Commission Meeting. During closed session the matters noticed were discussed. President Palega stated that no action was taken on the matter discussed and a Special Meeting of the Commission would be called to continue the discussion. The review of Agenda Item 11 (A) was then revisited.

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH GOLDFARB & LIPMAN FOR TRANSACTIONAL LEGAL SERVICES PERTAINING TO HOPE VI AND OTHER HOUSING AUTHORITY DEVELOPMENTS FOR AN AMOUNT NOT TO EXCEED $450,000

President Palega asked the staff how many years this contract is for. Ms. Barbara Smith responded that the contract is for two years, but HUD allows a legal contract to be extended beyond 2 years. Commissioner Clark asked if the SFHA is currently under contract with Golfarb and Lipman. Ms. Smith responded that indeed the SFHA is, but there is not enough funding within that contract to close North Beach and continue progress on Valencia and Clementina. In response to Commissioner Clark's question, Ms. Smith stated that approximately $40,000 to $50,000 is left in the current contract with Goldfarb and Lipman.

President Palega wanted to know how much the SFHA is being billed on a monthly basis. Kenneth McBride, Financial Advisor for Housing Development and Modernization reported that in the last three months it ranged from $15,000 to $25,000, but with the increase in the amount of work to be performed by October, the costs are expected to significantly increase. Mr. Fortner added that on average Goldfarb and Lipman is billing the SFHA about $155,000 a year. Commissioner Brown asked if a yearly contract had been considered. Ms. Smith responded that long term contracts are more favorable when dealing with this type of litigation so that the continuity of paperwork and negotiations is maintained. President Palega illuminated the point that this is a two-year contract with no ending date and requested an explanation as to why. He continued by requesting clarification as to when a new procurement is performed versus an amendment to a contract when additional work must be completed.

Commissioner Clark moved to table this item until the August 22, 2002 Commission meeting. Commissioner Smith seconded the motion. The motion was carried by a unanimous vote.

16. ADJOURNMENT

Commissioner Brown moved to adjourn the meeting and Vice President Lee seconded the motion. There being no further business to come before the Commission, the regularly scheduled meeting of August 8, 2002 was adjourned at 8:15 p.m.

Gregg Fortner, Executive Director/Secretary

Sululagi Palega Sr., President

HOUSING AUTHORITY
OF THE
CITY AND COUNTY OF SAN FRANCISCO

Minutes of Regular Meeting
Thursday, August 22, 2002

440 Turk Street
San Francisco, California

The Housing Authority of the City and County of San Francisco met in a regularly scheduled meeting at 440 Turk Street, San Francisco, California on Thursday, August 22, 2002, at 4:00 p.m.

President Palega called the meeting to order at 4:13 p.m.

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1. ROLL CALL

Roll call found the following members to be:

PRESENT: *Sululagi Palega, Sr., President*
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner
Rev. Edgar E. Boyd, Commissioner (arrived at 4:15 p.m.)

ABSENT (Excused): *Shirley Byrd, Commissioner*
Julie Lee, Vice President

A quorum was present.

ALSO PRESENT: *Mr. Gregg Fortner, Executive Director/Secretary*
Mr. Carl L. Williams, General Counsel

2. APPROVAL OF AGENDA

Commissioner Clark moved to approve the agenda and Commissioner Brown seconded the motion. The motion was carried by a unanimous vote.

3. APPROVAL OF MINUTES

Commissioner Smith moved to approve the minutes of the August 14, 2002 Special Commission Meeting and Commissioner Clark seconded the motion. The minutes of the August 14, 2002 Special Commission Meeting were approved by a unanimous vote.

President Palega stated that the Minutes for the August 22, 2002 meeting would be considered for approval at the September 12, 2002 Commission Meeting.

4. GENERAL COMMUNICATIONS

Executive Director Gregg Fortner stated that the report regarding the Commission's request for the preparation of a report pertaining to the performance standards of the security firms SFHA is entering into contract with, and a summary of the SFPD crime reports occurring in and around SFHA property, will be given by Mike Roetzer during the Report of the Secretary. Mr. Fortner also summarized the approval letters for the predevelopment budget for North Beach, the predevelopment budget for Valencia Gardens and the correspondence from HUD. Mr. Fortner then presented a letter from Abt Associates. He commented that this letter commends the SFHA staff for a job well done in their meeting with this company. Mr. Fortner also observed the letter from Reno and Cavanaugh regarding the use of Federal Grant Funds for judgments, and the memorandums regarding the performance standards for security contractors and criminal and background checks.

Commissioner Clark commended staff for an excellent security performance report, and further stated that it was very thorough. His question pertained to paragraph eleven, inquiring of Mr. Fortner, the specific details of a Guard Tour System. Mr. Fortner answered that the specifics would be provided in Mike Roetzer's report, under the agenda item Report of Secretary.

5. REPORT OF SECRETARY

Executive Director Gregg Fortner announced that on August 28, 2002, at 4:00 p.m. in the Board Chambers of City Hall, Neola Gans would be sworn in as the family site tenant representative on the Commission. She is currently the President of the Tenant Association at the Alemany development. On September 12, 2002 Ms. Gans will be taking the place of Commissioner Byrd at the regularly scheduled Commission meeting. Commissioner Shirley Byrd was commended for serving in this capacity since 1998 and an additional year after her term had expired. Mr. Fortner then introduced Mike Roetzer to explain the progress on criminal background and credit checks, and security monitoring.

Mike Roetzer, Administrator of Management Services and Support reported that the SFHA estimates that over the next 12 months, 1000 background checks will be required for Section 8 and Public Housing approval. In the years proceeding, staff anticipates 600 background checks per year. Now that this information has been obtained, M.O.U. negotiations can commence between the SFHA and the Sheriff's Department to begin generating the criminal background checks. Mr. Roetzer explained that the search for an online company that provides credit and eviction checks is still underway. Rene Latosa is extensively researching companies that will provide these reports and are an economically viable choice.

President Palega asked how much the Sheriff's Department is charging us for the criminal background checks. Mr. Roetzer responded that the figure is unknown at this

time. President Palega further inquired of the procurement process planned for the credit and eviction checks, specifically, whether an RFQ would be utilized. Mr. Roetzer stated that this would be a relatively small procurement. Quotes would be provided over the phone and samples of the products from each company would be requested. President Palega responded that he would appreciate this process being executed with an RFQ in order to avoid sole sourcing. Mr. Fortner and Mr. Roetzer assured President Palega that this will not be sole sourced. Mr. Fortner further stated that staff would be able to access these reports directly from SFHA staff computer terminals.

Commissioner Brown asked if the background of the head of the households were the only individuals checked for Section 8 approval. Mr. Fortner answered that the background of all adults on the lease, are checked.

Mike Roetzer continued with his report by explaining the Performance Standards for the Security Contractors. A list of the performance requirements and how the SFHA would monitor the security firms, was distributed to the Commission. These standards were established in the RFP and will serve as a method to track the performance of the security firms so when contracts are assessed for renewal, any necessary adjustments can be made. In response to Commissioner Clark's earlier inquiry regarding the details of the Guard Tour System, Mr. Roetzer explained that there would be an initial cost to the SFHA but this will monitor the guard's whereabouts at a given time. Each guard would be given a reader and be responsible for swiping it on a barcode, at given check points, throughout their shift. This information is downloaded onto a computer terminal, which will track the specific time the guard swipes the reader. The intent is to install this system everywhere the SFHA has private security.

President Palega asked Mr. Roetzer if the system was sophisticated enough to specify who swiped the reader, ensuring that it was the actually the security guard responsible for doing so. Mr. Roetzer said that the reader is a sophisticated piece of equipment, and he does not anticipate that the guard would give it to someone else. If a guard chose to do so, there would be no way for management to know, but the guard would be responsible for replacing the equipment. President Palega requested that a clause, stating that the security firm's contract will be terminated if a guard gives the reader to anyone else, be added to the performance standards.

Compliments from Commissioner Clark went to all of the staff that participated in compiling the Performance Standards report. He commented that it was very thorough and a job well done. Commissioner Clark then asked Mr. Roetzer to explain the specifics of the lockout activity described in the Performance Standards report. Mr. Roetzer responded that the security firms would be responsible for keeping a log of tenants who have an SFHA carpenter dispatched to unlock a unit. This will enable the SFHA to bill the tenant for any incurred costs. Commissioner Clark then asked if the security shifts would be published and provided to the SFPD. Mr. Roetzer stated that the SFHA will begin to distribute the shift schedule to the SFPD and that the SFHA also keeps an account of the shifts. Executive Director Gregg Fortner added that the schedule is

established on a monthly basis, subject to change based on the circumstances throughout the month.

Commissioner Boyd asked Mr. Fortner if the reports of the increased crime areas were dictating an increase in the time and placement of security. Mr. Fortner responded that until six or seven months ago, the SFHA was receiving trend reports of the crime at the various sites. Mr. Fortner stated that on Tuesday, a letter was sent to Chief Earl Sanders to resume the production of these reports so that the SFHA can apportion the security coverage accordingly. President Palega added that the SFHA would also be able to compare the security reports to that of the SFPD to further examine the performance of the security firms. Mr. Roetzer commented that the guards are responsible for producing daily reports as well as any specific incident reports that may have occurred.

Commissioner Brown stated that he believed that the key component of the monthly meetings are the residents and inquired as to whether the meetings were going to be held at 440 Turk Street, or on site. In response to Commissioner Brown's inquiry, Mr. Fortner stated that during meetings between the SFHA management, the SFPD, and security, sensitive subjects are discussed. Therefore, residents will not always be invited so that the risk of investigative information and resident safety will not be compromised. Commissioner Brown then asked whether a separate meeting with the residents would be held. Mr. Fortner stated that meetings between the residents, security and SFHA management have already, and will continue, to take place. These meetings provide a forum for residents to express their concerns, and meet the security officers patrolling their units. Mr. Fortner further commented that security is most effective when the officers are connected with the residents.

6. COMMITTEE REPORTS

Diversity Committee

Commissioner Smith reported on the Diversity Committee meeting held on August 21, 2002. She commented that Buddy Choy made a presentation on the Civil Rights Policy Manual that was very enlightening. Mr. Choy will provide this manual to anyone who is interested. Commissioner Smith asked that the Commission review the manual, and approve it at the next Commission meeting. Commissioner Smith stated that the admittance and occupancy policy was also discussed. Acting Deputy Executive Director, Naja Boyd, will be monitoring and following up on this issue. Residents permitting individuals who are not on the lease, to move in, was also discussed and will be further investigated. Commissioner Smith continued her report indicating that on August 13, 2002, a meeting was held with the Redevelopment Agency of Hope VI. The construction of the Senior Center's additional 60 units was addressed at that time. Finally, the reception of Chief Earl Sanders is being planned for August 27, 2002 at Rosa Parks.

Executive Director, Gregg Fortner interjected that on item 3 of this day's agenda, it should have read that the August 8, 2002 minutes were to be considered for approval, as opposed to the August 22, 2002 minutes. Mr. Fortner apologized for staff not

recognizing this error sooner. Furthermore, since this agenda was already approved, the August 8th minutes will have to be considered at the September 12, 2002 meeting. President Palega stated that he did not receive the August 8th minutes and requested a copy. Commissioner Brown said that the date on the minutes were blurred. Mr. Fortner assured the Commission that these issues would be resolved.

Finance Committee
Nothing to report.

Personnel Committee
Nothing to report.

Commissioner Boyd stated that he would really like to be apart of the Finance and Personnel Committee meetings and requested that they meet during a time that he is available because an out of town commitment will claim his attention in the next two weeks.

7. REPORT OF COUNSEL

General Counsel, Carl Williams stated that in reference to the joint Commission meeting of the SFPD, and the SFHA, he had spoken with Lieutenant Geter of the SFPD and received three tentative scheduling dates. At 2:00 p.m, on either September 10th, 13th, or 23rd, are the dates of the SFPD Commission availability. The meeting will be held at Plaza East. Finally, Mr. Williams announced that the Commission's Annual Meeting to elect officers would be held on September 26, 2002 and in today's closed session, the matters noticed will be discussed.

8. TENANT REPRESENTATIVE REPORT

City Wide Council - Senior/Disabled
President William Vitale of the City Wide Council-Senior/Disabled reported that they would be involved in the reception for Chief Sanders, and are assisting the 22 developments become compliant with HUD regulations as far as organizing active Tenant Associations are concerned.

Public Housing Tenants Association (PHTA)
Mr. Fortner stated that Tessy Esther, President of Hunter's View Tenant Association was asked to make a report at this meeting, but she was unable to attend.

9. PUBLIC COMMENTS ON AGENDA ITEMS: LIMITED TO 2 MINUTES

NOTE: *The public will have the opportunity to comment on agenda items prior to any action taken by the Commission pursuant to the San Francisco Housing Authority Rules Governing Public Testimony adopted 2/23/95 as Resolution No. 4423. Prior to*

adjournment, after Item No. 11, the public will have the opportunity to comment on items not on the agenda.

Waymond Nichols – Mr. Nichols expressed his support for Resolution A, pertaining to entering into contract with Western Roofing. He commented that Western Roofing has hired over 80 residents when doing work at the SFHA sites, and have even promoted two resident employees to supervisors. Mr. Nichols encouraged the Commission to unanimously pass this resolution and in the future, if any other contracts are under consideration, to refer them to the employment department for resident hire.

Claire Caldwell – Ms. Caldwell, the Vice President of the San Francisco Chapter of the A. Phillip Randolf Institute (APRI) gave expressions in support of Resolution 11B on the agenda. She stated that this organization has been in existence since 1965, with its primary goal to inform, register people to vote and to actually get out and vote. There are over 130 Chapters nationwide and the San Francisco chapter has been active since the 1970s. Ms. Caldwell stated the common goals of the SFHA and the APRI to further illustrate her support of Resolution B. She concluded by encouraging the Commission to pass this resolution.

Walter Johnson – Mr. Johnson of the San Francisco Labor Council spoke in support of the SFHA entering into contract with APRI. He conveyed his knowledge of the great work they have performed over the years and their level of dedication to doing whatever it takes to increase registration and voter participation. Mr. Johnson strongly urged the Commission to pass Resolution B so APRI can begin their work as soon as possible.

Eddie Kittrell – Mr. Kittrell is a resident of Potrero Hill and has been affiliated with APRI since 1995. He expressed that APRI has been successful in all of the campaigns he's been involved with and that it is very important that Public Housing residents increase their voter participation. Mr. Kittrell requested that the Commission pass this resolution.

Paulette Spencer – Ms. Spencer of Potrero Hill declared that since APRI has gotten involved in her community, there has been a significant change for the better, proven by the increase in resident involvement. Ms. Spencer asked the Commission to approve the resolution pertaining to APRI.

10. UNFINISHED BUSINESS

RESOLUTION No. 5044

(A) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH GOLDFARB & LIPMAN FOR TRANSACTIONAL LEGAL SERVICES PERTAINING TO HOPE VI AND OTHER HOUSING AUTHORITY DEVELOPMENTS FOR AN AMOUNT NOT TO EXCEED $450,000

Barbara Smith, Housing Development and Modernization Administrator summarized the proposal before the Commission. Ms. Smith stated that after an extensive procurement process, Goldfarb & Lipman was the primary firm capable of complex specialized real estate and affordable housing transactions such as those performed for Hope VI, Clementina Towers and other projects of that magnitude. They had the lowest rates, and recently hired a resident full time. Another benefit is the continuity of the transactions if the SFHA is able to enter into contract with Goldfarb and Lipman.

Commissioner Clark stated that he had requested this item be taken up after closed session at the last meeting due to legal financial obligations facing the SFHA. Thereafter it was tabled until this meeting. Commissioner Clark commented that he had no doubt that the procurement was thoroughly conducted, but his issues derived from the amount of this long-term contract while other financial obligations are pending. Ms. Smith responded that funding for this contract comes from Hope VI grants solely dedicated for this purpose. Any other litigation is not authorized to access these funds. Mr. Fortner reiterated Ms. Smith's point and added that this three-year contract coincides with the closing date for Valencia Gardens in 2005, hence the long-term contract and the $450,000 amount. Commissioner Clark then asked who is responsible for viewing the billing. Ms. Smith said that she, the project managers, the legal department, the contract administration department, and the finance department reviews the billing.

Commissioner Boyd moved to approve Resolution No. 5044 and Commissioner Clark seconded the motion. Resolution No. 5044 was passed by a unanimous vote.

11. NEW BUSINESS:

RESOLUTION No. 5045

(A) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH WESTERN ROOFING SERVICE TO PROVIDE CONSTRUCTION SERVICES FOR THE REPAIR OF 23 CANOPIES AT CAL 1-10, POTRERO ANNEX, FOR AN AMOUNT NOT-TO-EXCEED $284,750.00

Barbara Smith, Housing Development and Modernization Administrator, presented the details of this resolution. An extensive selection process was conducted through various mediums of solicitation. Two pre-bid site inspections were held. On July 2, 2002, seven contractors came, and on July 10, 2002 three additional contractors came. Three sealed bids were received. All of which were responsible, responsive bids. These bids were broken down in a table, included in the memorandum. Ms. Smith reported that Western Roofing has a reputation of exceeding the percentage of resident hiring mandate and they tend to keep the resident employees to work at other locations.

Commissioner Smith moved to approve Resolution No. 5045 and Commissioner Brown seconded the motion. Resolution No. 5045 was approved by a unanimous vote.

RESOLUTION No. 5046

(B) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH THE A. PHILIP RANDOLPH INSTITUTE NOT TO EXCEED $50,000.00 FOR THE PURPOSE OF PROVIDING PUBLIC HOUSING RESIDENTS WITH VOTER REGISTRATION SERVICES AND ASSISTANCE IN GETTING TO POLLING PLACES FOR THE NOVEMBER 5, 2002, GENERAL ELECTION

Before discussion began regarding this resolution, Commissioner Brown recused himself from voting and discussing this agenda item due to his membership in the APRI organization.

Rufus Davis, of the Contracting and Procurement Division presented this resolution. Mr. Davis reported that HUD has encouraged all housing authorities to take part in assisting residents in getting registered to vote. Earlier this year, the SFHA entered into contract with APRI to get residents registered for the March primary election. In its seven weeks of work, APRI registered approximately 800 new voters and 10% made it to the polls.

During the SFHA's outreach efforts, nonpartisan and nonprofit organizations were examined to provide voter registration services to residents of Public Housing and Section 8. Track records of producing high voter registration numbers were also taken under consideration. Mr. Davis stated that only one organization was nonpartisan, nonprofit, and able to work with the residents of Public Housing and Section 8, APRI. For a flat rate of $35,000, APRI will be performing numerous duties, including, but not limited to going door to door, telephone banking, and queering residents whether they have registered to vote. Follow up phone calls will be administered, rides to City Hall for early voting will be offered, voting by mail, and vans to City Hall will be available on last day to vote in November. The incentive portion of the contract states that $10 will be paid for every new registered voter, and $10 for every new registered voter who votes. This will be monitored by an SFHA employee spending approximately eight business days in City Hall, checking the APRI statistics. Mr. Davis encouraged the Commission to pass this resolution.

James Bryant of the APRI organization was present for questioning. President Palega asked him if the 10% of their registered voters who actually voted was adequate. Mr. Bryant responded that it absolutely was not. He stated that one of the goals of APRI is to change the culture of voting and the only way to do so is to educate the residents with the full support of property managers and SFHA management, and the Commission. In addition, the Crime Summit Group has also agreed to be involved with APRI.

Commissioner Smith asked how would the fourteen staff members would be selected. Mr. Bryant responded that APRI has committed to having the residents comprise 50% of its staff and will be administering an interview process. Commissioner Smith asked who should be contacted if a resident is interested in pursuing this line of employment. Mr. Bryant said that the APRI office should be contacted at (415) 336-4179. Because it is incentive based, employees will be

required to work as hard as possible, and APRI will do its part to reduce fraud and produce a product for the SFHA to be proud of. Mr. Fortner asked Mr. Bryant to coordinate efforts with Naja Boyd, Acting Deputy Executive Director, and Mike Roetzer of Human Resources to disseminate information to all residents of interview dates and how to apply. Mr. Bryant agreed to do so.

Commissioner Clark asked if the nonpartisan angle of the APRI meant that they are not soliciting voter registration for a particular party. Mr. Bryant confirmed that they do not solicit voter registration for a particular party. Commissioner Clark then shared that there are many organizations that offer funding for registering voters into their parties, and asked whether those options had been investigated. Mr. Bryant responded that the APRI generally does not pursue those funding sources to avoid being labeled a supporter of any particular party.

Commissioner Boyd stated that he is a major proponent of voting and doing whatever it takes to get more people to vote. Furthermore, the power of the local vote is easily recognized as a number of measures on the March ballot, could have been changed had more public housing residents actually voted. Commissioner Boyd asked Mr. Bryant how the APRI would surpass the issues of the irresponsibility of those who do not vote, apathy, and those who don't want to be associated with civil authority, who are not believed to be working in their best interests. Mr. Bryant replied that through the involvement of Brothers Against Guns, who are directly connected to the community, holding festivals to open the communication with the residents, and educating residents on political issues that affect them, these issues can be overcome. It is a process of learning who are the influential people in a particular community, and building trust and relationships with the residents there.

William Vitale requested that the outreach for registering more senior and disabled residents be more extensive than it has in the past and registration cards be provided in multiple languages. Mr. Bryant stated that the APRI is in the process of partnering up with the Senior Escort Agency to begin providing additional vehicles to give transportation to seniors and disabled persons who need it.

Commissioner Clark moved to pass Resolution No. 5046 and Commissioner Boyd seconded the motion. Resolution No. 5046 was passed unanimously with Commissioner Brown abstaining.

12. PUBLIC COMMENTS ON ITEMS NOT ON AGENDA

There were no comments on items not on the agenda.

13. COMMISSIONER'S COMMENT AND REPORT

President Palega reported that on August 21, 2002 he had an opportunity to go the Opera House to discuss issues of unemployment and resources to the southeast corridor of the city. Many city offices were represented. President Palega's only disappointment was that not enough residents were present. President Palega also commented that on Tuesday, August 20, 2002 a press conference was held addressing the Energy Program and refrigeration, in which the Commission

was to attend. President Palega asked that future notification be given sooner so that the Commissioners have the option to attend. Mr. Fortner responded that the notification was included in the Commission packets that were sent out on Friday, August 16, 2002, but follow up telephone calls will be placed from now on. Commissioner Palega stated that he received an empty envelope with just his name on it. Commissioner Smith acknowledged receipt of her letter, but had forgotten about the engagement.

Commissioner Boyd requested that the staff diligently accumulate the data to properly deploy security as necessitated by the statistics. Commissioner Boyd also thanked Mr. Fortner for engaging in a relationship with APRI as this was a personal request to Mr. Fortner as part of an agreement when he came on board with the SFHA.

Commissioner Brown commended staff for the thorough job on the minutes. Commissioner Brown also requested a report updating the number of unoccupied units to be added to the request log.

14. CLOSED SESSION

President Palega announced that the Commission had concluded its public agenda items and would go into closed session. A closed session was scheduled with General Counsel and outside counsel under Government Code Section 54956.9 (a) regarding pending litigation: William Reddick v. San Francisco Housing Authority and Ronnie Davis; and consultation with General Counsel and outside counsel regarding settlement of pending litigation William Reddick v. San Francisco Housing Authority and Ronnie Davis; and potential litigation (case name unspecified to avoid jeopardizing existing settlement negotiations. The commission went into closed session at 5:36 p.m.

15. RECONVENING OF THE COMMISSION MEETING

The Commission reconvened at 6:25 p.m. The Commissioners present in the closed session were President Palega and Commissioners Smith, Brown, Clark, and Boyd. Commissioner Byrd and Lee were not present. Commissioner Clark moved to approve the settlement of the William Reddick v. San Francisco Housing Authority and Ronnie Davis case as recommended by General Counsel and outside counsel. Commissioner Boyd seconded the motion. The Commission unanimously voted to settle the William Reddick v. San Francisco Housing Authority and Ronnie Davis case as recommended by General Counsel and outside counsel.

16. ADJOURNMENT

Commissioner Boyd moved to adjourn the meeting and Commissioner Smith seconded the motion. There being no further business to come before the Commission, the regularly scheduled meeting of August 22, 2002 was adjourned at 6:27 p.m.

Gregg Fortner, Executive Director/Secretary

Sululagi Palega Sr., President

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SAN FRANCISCO HOUSING AUTHORITY

440 TURK STREET • SAN FRANCISCO, CA 94102 • PHONE (415) 554-1260 • FAX (415) 554-1268

Date: September 2, 2002

To: San Francisco Housing Authority Commissioners

Sululagi Palega, Sr., President
Julie Lee, Vice President
Neola Gans, Commissioner
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner

From: Gregg Fortner, Executive Director

Subject: Resolution Approving the Execution of a Memorandum of Understanding (MOU) Between the San Francisco Housing Authority and the Laborers' International Union Local 261

OVERVIEW

These negotiations have been completed and pursuant to the provisions of Government Code Sections 3500 et seq. (Meyers-Milias-Brown Act), the new MOU and ratification resolution are now being presented to your Commission for approval.

OBJECTIVES & ANTICIPATED OUTCOME

Pursuant to the provisions of Government Code Section 3500 et seq. to ratify the latest MOU with the Authority's Maintenance Laborers and to effect its various provisions pertaining to wages, hours and terms and conditions of employment so that the Authority is in compliance with HUD prevailing wage regulations.

WHO BENEFITS

The Authority benefits by having a MOU with its Maintenance Laborers that is in compliance with HUD regulations and that was negotiated pursuant to the provisions of the Meyers-Milias-Brown Act. The Authority also benefits from stronger management rights and performance management clauses, a standardized grievance procedure, and an overall standardization of language common among other craft MOUs. Because the Union agreed to delay the fiscal year 2002 wage adjustments until January 1, 2002, even though the MOU became effective October 1, 2001, the Authority realized approximately $38,000 in savings for this fiscal year. The unit members will derive various economic benefits from certain provisions of this MOU and its duration will serve to promote long-term, stable and harmonious relations with this group of employees.

BUDGET CONSIDERATIONS

All costs associated with the execution of the aforementioned MOU for this fiscal year have been budgeted and will be cost allocated as appropriate and in accordance with Federal regulations to the various funding sources of the Authority. The total costs from January 1, 2002 through September 30, 2002 are approximately $154,000. Fiscal year 2003 costs will be approximately $223,000. Costs for Fiscal years 2004 and 2005 are not yet determinable as the wage increases are dependent upon future negotiations between the Union and the City & County of San Francisco for those years.

RESIDENT EMPLOYMENT

The Union is committed in its efforts to work with the Authority to promote resident union membership and employment. The Maintenance Laborers workforce is comprised of approximately 30% residents.

MBE/WBE STATUS

No Impact

RECOMMENDATION

Adopt the attached resolution to approve the execution of the MOU between the Authority and the and the Laborers' International Union Local 261 to be effective October 1, 2001 through September 30, 2005, a copy of which is attached as Exhibit A.

Attachments

(Prepared by Paul Howard)

RESOLUTION NO._____

DATE ADOPTED_____

RESOLUTION RATIFYING THE APPROVAL AND EXECUTION OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE SAN FRANCISCO HOUSING AUTHORITY AND THE LABORERS' INTERNATIONAL UNION LOCAL 261

WHEREAS, the San Francisco Housing Authority ("Authority") and the Laborers' International Union Local 261 (Union), have reached agreement on certain issues related to the compensation and terms and conditions of employment for unit members, pursuant to Government Code Sections 3500 et seq. (Meyers-Milias-Brown Act); and

WHEREAS, all costs associated with execution of the aforementioned Memorandum of Understanding will be cost allocated as appropriate and in accordance with Federal Regulations to the various funding sources of the Authority.

NOW, THEREFORE, BE IT RESOLVED THAT, the Board of Commissioners of the Authority hereby ratifies and approves the execution of the Memorandum of Understanding between the Authority and the Union for the period from October 1, 2001 through September 30, 2005, a copy of which is attached hereto as Exhibit A.

APPROVED AS TO FORM AND LEGALITY:

Carl L. Williams

Carl L. WIliams, General Counsel

REVIEWED BY:

Gregg Fortner

Gregg Fortner, Executive Director

9/5/02

EXHIBIT A

MEMORANDUM OF UNDERSTANDING BETWEEN

THE SAN FRANCISCO HOUSING AUTHORITY

AND

THE LABORERS' INTERNATIONAL UNION AFL-CIO LOCAL 261

OCTOBER 1, 2001 THROUGH SEPTEMBER 30, 2005

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PREAMBLE

This Memorandum of Understanding (hereinafter "MOU") is entered into by the San Francisco Housing Authority (hereinafter "Authority") and the Laborers' International Union AFL-CIO Local 261 (hereinafter "Union"), The Authority and the Union (hereinafter "Parties") mutually acknowledge their commitment and obligation to provide the highest possible quality of service to the clientele of the Authority. In discharging this commitment, the Parties reaffirm their responsibility to deliver service in the most efficient, effective and courteous manner at all times. The Parties agree to comply with all applicable laws, including the provisions of the Meyers-Milias-Brown Act (MMBA) and all administrative regulations promulgated by the Department of Housing and Urban Development (hereinafter "HUD"), including Authority policies, procedures and practices that are not inconsistent with this MOU.

ARTICLE I
EFFECT AND TERM OF AGREEMENT

It is understood and agreed that the provisions of this MOU shall prevail over Authority practices and procedures and over State laws to the extent permitted by such law, and that in the absence of specific MOU provisions, such practices and procedures are discretionary with the Authority to the extent permitted by State law. In no instance will Authority policies and procedures confer upon covered individuals benefits greater than those specifically provided for under the provisions of this MOU. This MOU is made and entered into as of the 1st day of October, 2001, by and between the Parties. The Parties agree to the provisions of the following articles through September 30, 2005.

ARTICLE II
SUPPORT OF AGREEMENT

Except as otherwise provided for herein, the Parties agree to abide by this MOU for its term and neither will appear before the other to seek change or improvement in any matter subject to the negotiation process, except by mutual agreement of the Parties.

ARTICLE III
SEPARABILITY

If any provision of this MOU is held to be contrary to law by a court of competent jurisdiction, such provisions will not be deemed valid and subsisting except to the extent permitted by law, but all other provisions will continue in full force and effect. In the event of suspension or invalidation of any article or section of this MOU, the Parties agree to meet and negotiate within sixty (60) days after such determination to arrive at a mutually satisfactory replacement for such article or section.

ARTICLE IV
ZIPPER CLAUSE

Except as may be amended through the provisions herein, this MOU contains the full and entire understanding of the Parties regarding the matters herein and may only be modified in writing upon mutual consent of the Parties. Any past practices and other understandings between the Parties, not expressly memorialized and incorporated into this MOU, shall no longer be enforceable.

ARTICLE V
MANAGEMENT RIGHTS

1. Except as otherwise provided herein, it is understood and agreed that the Authority retains all of its powers and exclusive rights to organize, direct, manage and control its operations to the fullest extent of the law, including but not limited to, the right to determine its organization; direct the work of its employees; establish the times and hours of operation; determine the kinds and levels of services to be provided, and the methods and means of providing these services; establish policies, goals and objectives; determine staffing patterns, including the number and kinds of personnel required; maintain the efficiency of Authority operations; build, move or modify facilities; determine and establish budgetary procedures and allocation; determine the methods of raising revenue; contract out work subject to meet confer with the Union and in accordance with HUD prevailing wage regulations; and take action on any matter in the event of an emergency. Additionally, the Authority retains the right to classify duties, allocate positions to classes, hire, classify, assign, evaluate, promote, discipline and terminate an individual's employment. Employment termination(s) shall occur only for good cause such as the violation of the rules of conduct, or in accordance with the layoff provisions of this MOU.

2. The exercise of the foregoing powers, rights, authority, duties and responsibilities by the Authority, the adoption of policies, rules, procedures, and practices in the furtherance thereof, and the use of judgment and discretion in connection therewith, shall be limited only by the specific and express terms of this MOU; and then only to the extent such specific and express terms are in conformance with law.

3. The Authority retains its right to amend, modify or suspend policies, procedures and practices referred to in this MOU in cases of emergency as provided in Public Contract Code Section 20654. Any amendment, modification or suspension shall be for a period no longer than the length of the emergency.

ARTICLE VI
REPRESENTATION & SECURITY

The Union has been certified by the Housing Authority Commission as the exclusive representative for Laborers, Laborer Foremen and Laborer General Foremen. This MOU applies to employees in these classes who are employed in the Maintenance Program. All individuals covered by this MOU on its effective date, who are Union

members in good standing, shall remain so. All individuals employed in the bargaining unit must as a condition of employment, become members in the local Union by the eighth (8th) day of employment and remain in good standing.

ARTICLE VII
UNION RIGHTS

The Union's designated officers (Business Representatives and Stewards) shall have the following rights in addition to the rights contained in any other section of this MOU.

1. The right to inspect, review or obtain class specifications, performance standards and rules of conduct that will enable the Union to fulfill its role as the certified representative of the individuals dispatched under this MOU.

2. The right to distribute this MOU to individuals dispatched to the Authority and to monitor MOU compliance.

3. The right to hold meetings on an "as needed" basis with members; however, such meetings shall be held prior to or after normal working hours, whenever possible.

4. The Union shall be entitled to appoint up to two (2) stewards, who shall in addition to their normal work, be permitted to perform during working hours, Union duties that cannot be performed at other times. Such duties shall be performed as expeditiously as possible and the Authority shall allow the Steward a reasonable amount of time for the performance of said duties. The Union shall immediately notify the Authority in writing of Steward appointments.

5. Regular dues will be deducted from member paychecks in accordance with Authority procedures and upon voluntary written authorization by the member that is in accordance with the requirements of Section 300 of the California Labor Code. Dues deduction authorization may be revoked in the same fashion with a copy of such notice sent to the Union. All other legal and required deductions have priority over Union dues. Dues withheld by the authority shall be transmitted to the designee identified in writing by the Union who is authorized to receive such funds. The Authority shall charge no service fee for the deduction and transmission of such dues and the Union shall indemnify, defend and hold harmless the Authority against any claim or suit related to such activity. The Union shall refund any amount paid in error upon presentation of supporting evidence.

ARTICLE VIII
WORK COVERED

Covered work shall include, but not necessarily be limited to the following:

- Loads and unloads construction, structural maintenance and wrecking supplies, materials and equipment on and off trucks or other vehicles.
- Operates a variety of motor vehicles to haul debris to dumpsite and deliver building supplies, equipment or other materials to various locations.

- Digs, grades and backfills trenches, excavations or elevations.
- Cleans sewers and flushes catch basins.
- Operates a variety of maintenance equipment such as pneumatic tools, portable pumps and other devices.
- Assists a variety of craft workers on projects by accessing and providing tools, and cleaning components, equipment or machinery.
- Collects and removes litter and debris from buildings, grounds, and construction sites, including the handling and removal of asbestos and other hazardous material.
- Washes, sweeps and cleans rental units, both inside and out in all Authority properties; cleans stoves, refrigerators and other appliances.
- Sweeps and washes down parking lots, sidewalks, and other common areas.
- Mixes concrete, mortar or other substances and materials used in construction or building repair.
- Removes graffiti or other unauthorized advertising from utility poles and Authority property; boards up broken windows.
- Sets up and takes down traffic and pedestrian barricades, wherever needed.
- Cuts, trims and removes brush, weeds, shrubbery, and trees; mows lawns and performs other landscape maintenance activities.
- Applies pesticides or engages in other forms of pest or vector control.
- Sets up and takes down chairs, tables, stages and other items needed for meetings, conferences or other events.
- Moves furniture and equipment in and out of buildings or from room to room.

ARTICLE IX
NONDISCRIMINATION

1. The Authority agrees not to discriminate against any employee because of membership in the Union or because of any activities on behalf of the Union. In any event, such activities shall not interfere with the normal operations of the Authority.

2. The Parties agree to support the principles of Equal Employment Opportunity and will obey all laws and regulations regarding discrimination against any employee or applicant for employment because of religion, race, color, national origin, age, sex, sexual preference, or disability. The Authority will not, nor will the Union cause the Authority to discharge or otherwise discriminate against any employee based on any of the above categories.

ARTICLE X
SAFETY & SECURITY

1. The Parties agree that it is in the best interests to all concerned to provide a safe, secure, and healthy working environment. The Authority and the individuals covered by this MOU agree to abide by the safety standards established by the State Department of Industrial Relations and comply with the Occupational Safety and Health Act.

2. To assure that health and safety hazards are handled in a timely fashion, the following procedures shall be followed: (1) employees shall report health or safety hazards to their immediate supervisor; (2) if the immediate supervisor is unable to abate the hazard, the matter shall be referred to the Authority's Director of Occupational Safety & Health who will meet with the employee and immediate supervisor regarding the matter; (3) if the matter cannot be resolved by the Authority's Occupational Safety & Health Director, it will be referred to that individual's immediate superior.

3. Among the individuals covered by this MOU, at least two (2) Journey Laborers shall be certified in Hazardous Material & Asbestos removal.

ARTICLE XI
LABOR / MANAGEMENT COMMITTEE

The Parties agree to continue the Labor/Management Committee that will meet as mutually agreed to discuss employment conditions. The committee membership shall consist of no more than three (3) Union members who are Authority employees and no more than three (3) individuals selected by Authority.

ARTICLE XII
OUTSIDE CONTRACTING / COMPETITIVE BIDDING

1. Authority Resolution No. 2304 regarding Competitive Bidding authorizes and directs management to engage in outside competitive contracting at its discretion. All work that is put out to bid will be at the prevailing wage rates for the appropriate classifications in accordance with the regulations established by the Department of Housing and Urban Development, the policies of the Authority, federal regulations where Davis-Bacon wage rates are required, local ordinances when city funds are utilized.

2. The Authority shall notify the Union in writing within ten (10) working days following the Board of Commissioners award of the contract, the name of the contractor(s), the starting date and the location of the project(s).

ARTICLE XIII
NO STRIKES

The Parties agree there shall be no strike, lockout or work stoppage by either party. The Union may withhold individuals from dispatch or picket the Authority for non-payment of wages or trust fund contributions. The observance of the picket line of another organization sanctioned by San Francisco Building and Construction Trades Council or the San Francisco Central Labor Council shall not be considered a violation of this article.

ARTICLE XIV
EMPLOYEE SELECTION

1. **Initial Hiring**

   Upon faxed, or telephone notification by the Authority Human Resources staff, the Union shall expeditiously dispatch the requested classes and numbers of individuals to the Authority's Human Resources office for processing and hiring. The Parties agree that every effort shall be made to recruit from the public housing resident and Section 8 population in recognition of the federal requirement that the Authority's work force consist of at least 25% of these individuals.

2. **Foreman Selection & Appointment**

   Foreman and General Foreman selection and appointment shall occur from the Laborer ranks and shall be at the Authority's sole discretion. Selection and appointment is conditioned upon the individual having been a Laborer with the Authority for at least eighteen (18) months and having received at least a *"Standards Achieved"* rating on their latest performance evaluation. The Union shall be notified of all such appointments and compensation at the higher rate will begin on the first day that the individual begins to perform the higher level duties. During the period of this MOU, there shall always be at least (1) Foreman. With the exception of emergency situations, work directives or instruction given by the Laborer Foreman/General Foreman take precedence over competing directives by other craft individuals.

ARTICLE XV
STATUS, SENIORTY & LAYOFF

1. Individuals are on probationary status for the first sixty (60) calendar days of their employment and may be discharged during this period without cause and without recourse through the grievance procedure. At the Authority's discretion, workdays missed during this time may be added to the end of the probationary period.
2. Individuals who pass the sixty (60) day probationary period will accrue seniority from their initial hire date.
3. Seniority is defined as the length of continuous paid employment in the Authority's Maintenance Program. Seniority shall be retained, but shall not accrue during unpaid leaves of absence that exceed thirty (30) calendar days in length. Lay-off and re-hire shall be based on accrued seniority in accordance with these provisions.
4. Lay-off notice shall be in writing stating the reason(s) for lay-off with a same day copy to the Union. Individuals being laid off will be sent home at the close of business immediately following receipt of the written notice; however, their names will remain active on the payroll for one (1) additional day before being terminated. Final paychecks will be distributed at the time of notice and will include the one (1) additional day's pay, except for individuals who have not completed the 60 day probationary period.

ARTICLE XVI
PERFORMANCE & DISCIPLINE

1. The Authority shall establish reasonable rules and regulations concerning the conduct and performance of individuals covered by this MOU. The enactment of such rules and regulations shall be preceded by advance notice to the Union and subject to the meet and confer provisions of MMBA. The standard Authority Performance Evaluation Factors are contained in Appendix A.

2. The Authority reserves the right to establish performance standards for all classifications covered by this MOU. The enactment of such standards shall be preceded by advance notice to the Union and subject to the meet and confer provisions of MMBA. Any probationary employee who does not meet acceptable standards of performance shall be instructed to cease work and return to the Union Hall. That individual shall not be dispatched to the Authority for future jobs.

3. The Authority reserves the right to take appropriate disciplinary action including, the immediate dismissal for good cause, of individuals for violation of the Rules of Conduct or failure to meet performance standards as outlined in Appendix A. The Authority shall notify the employee and copy the Union in writing of its intent to take any disciplinary action that diminishes an employee's property rights. Such notice shall be within five (5) days of the effective date of the proposed action. Letters of reprimand do not diminish property rights; and therefore, are not subject to this notice requirement. The Authority however, shall copy the Union with any letter of reprimand within two (2) working day from the date of issuance. Violation of the Rules of Conduct shall include, but not be limited to possession of intoxicants (including alcohol and drugs) on Authority premises; being under the influence of intoxicants (including alcohol and drugs) during working hours; insubordination; theft; falsification of records, including employment records, gross negligence; dishonesty; fighting or inciting others to fight on Authority premises or during working time; failure to possess and maintain a valid California driver's license or uninsurability by the Authority's insurance carrier; unauthorized use of the Authority's property or vehicles; deliberate destruction of any property not belonging to the employee; concealment of defective work; sleeping on the job, failure to report to work for two (2) consecutive work days without notice to the Authority; and excessive tardiness. The Union shall not dispatch to the Authority individuals who have been discharged for cause.

4. All disciplinary actions including letters of reprimand will remain active in the employee's personnel file for twenty-four (24) months following the date of the underlying incident. Previous disciplinary actions/correspondence older than 24 months will not be used in support of new disciplinary action against an employee. All disciplinary actions/correspondence shall physically remain in the employee's file indefinitely; however, after 24 months following the date of the incident, an employee may in writing, petition the Human Resources Director for its physical removal.

ARTICLE XVII
GRIEVANCE PROCEDURE

The following procedures are adopted by the Parties to provide for the orderly and efficient disposition of grievances and are the sole and exclusive procedures for resolving grievances as defined herein.

1. Definition

A grievance shall be defined as any dispute that involves the interpretation, application of, or compliance with this MOU. Grievances that proceed beyond step one of the process may be filed only by the Union. The Parties agree that the grievance procedure and arbitration are the sole remedy for resolving disputes that arise from this MOU.

2. Eligibility

All members of the bargaining unit can use the grievance process as a method to resolve alleged violations of specific provision(s) of this MOU. The process is also available to the Union for the resolution of issues as defined under **Definition** above. Union initiated grievances shall begin at Step Two of the process.

3. Time Limits

The time limits set forth herein may be extended or waived by mutual agreement of the Parties. Any such agreement must be confirmed in writing. For purposes of time calculation, a "day" is defined as a "working day"; thus, excluding weekends and holidays. Failure by the Authority to respond within the time limits at any level shall be implied as a negative response to the grievance and the Union shall have the right to proceed to the next level. Failure by the Union at any step in the process to adhere to specified time limits shall nullify the grievance and the right to grieve shall be waived and lost.

4. Steps of the Procedure

The grievance procedure is a four-level sequential process. Except for grievances involving multiple employees, all employee-initiated grievances must begin at Step One of the procedure. The step procedures set forth herein may be modified or waived by mutual agreement of the Parties. Any such agreement must be in writing.

A. Step One - Immediate Supervisor

An employee shall first attempt to resolve the alleged violation or dispute with his/her immediate supervisor. Not later than the tenth (10^{th}) working day after an employee knew of the alleged violation, the employee and/or his/her representative shall memorialize in written form the grievance to the employee's immediate supervisor and, thereafter, explain orally the

grievance to the employee's immediate supervisor. The supervisor shall memorialize in written form a decision and present it to the employee and/or her/his representative within seven (7) working days of receiving the grievance in written form.

B. Step Two - Administrator

If the alleged violation is not resolved informally with the immediate supervisor, the Union shall submit the grievance on behalf of the represented employee, in writing, to the appropriate Administrator within seven (7) working days after receipt of the immediate supervisor's decision. Union initiated grievances shall commence at this step in the process. The Administrator or designee shall render a written decision setting forth the Authority's position within ten (10) working days after receipt of grievances at this level.

Skelly hearings involving disciplinary actions occur at this level, but are not subject to the filing time frames contained in these provisions.

C. Step Three - Executive Director

If the Step Two response is unsatisfactory to the employee and/or the Union, the Union may in writing elevate the grievance to the Executive Director or designee within seven (7) working days after receipt of the Step Two decision. The Executive Director or designee may convene a grievance meeting within fifteen (15) working days with the Union and one (1) bargaining unit member, exclusive of the grievant. The Executive Director shall respond to the grievance within fifteen (15) working days of the meeting, or if none is held, within twenty (20) working days of receipt of the appeal from the Step Two response. Grievances alleging improper dismissal must be filed in writing at Step Three, within seven (7) working days after such dismissal.

D. Step Four - Arbitration

If the Union is dissatisfied with the Step Three response, it may appeal by notifying the Executive Director in writing, within fifteen (15) days of the Step Three decision that arbitration is being invoked. The Parties shall select an arbitrator within fifteen (15) days of receipt of the Unions written notice of its intent to arbitrate. At any time in the process, by mutual agreement of the Parties, an issue may be submitted directly to an arbitrator for resolution. Under these conditions, the arbitration shall be conducted within 60 days, unless delayed by fault of the arbitrator.

E. Arbitration, Arbitrators & Fees

1. The Parties agree that any arbitration decision will be binding on all parties.

2. The arbitrator shall be selected by mutual agreement of the Parties from the following list of arbitrators.

- William Riker
- Gerold McKay
- John Kagel

3. Except when an agreement of the facts is submitted by the Parties, it shall be the duty of the arbitrator to hear and consider the evidence submitted by the Parties, make written findings of fact, and render a disposition that shall be final and binding on the Parties. The arbitrator shall have no power to amend this agreement or to recommend amendment.

4. Fees and expenses incurred for the arbitrator shall be borne equally by both parties. Fees and expenses incurred for a reporter shall be borne solely by the party requesting such service. If both parties agree to the reporter services, the fees and expenses shall be shared equally by the Parties.

ARTICLE XVIII
WORK CLOTHING, TOOLS, EQUIPMENT & PARKING

1. Within fifteen (15) days following initial appointment, the Authority shall provide two (2) sets of the required uniform items that individuals must wear along with their photo ID badges during work hours. Each fiscal year thereafter, the Authority shall continue to provide a total of three (3) additional sets of uniform items per employee, to be distributed on or about November 15th and/or May 15th.

2. The Parties will work together through the Labor Management Committee to agree to a mutually acceptable modified uniform requirement that provides both comfort and protection while being adaptable to seasonal weather changes.

3. All tools and equipment required for the performance of the employee's duties shall be provided exclusively by the Authority. Employees shall not bring to work, or be requested by the Authority to supply personal tools or equipment for the performance of assigned duties.

4. The Authority shall provide inclement weather gear when and where conditions dictate.

5. The Authority shall continue to allow individuals to park at no cost on its property.

ARTICLE IXX
WAGES & FRINGE BENEFITS

1. The Journey Laborer total compensation package shall be increased in accordance with the following schedule and initially allocated among wages and the respective trust funds as detailed in Appendix B.

January 1, 2002 - 5.25% of the existing total taxable/non taxable wage and benefit package.

October 1, 2002 - 5.25% of the existing total taxable/non taxable wage and benefit package.

October 1, 2003 - Same percentage increase that CCSF negotiates with Laborers from July 1, 2003 to June 30, 2004. The entire increase shall be calculated and applied October 1, 2003 in the same fashion as described for the 2002 increases.

October 1, 2004 - Same percentage increase that CCSF negotiates with Laborers from July 1, 2004 to June 30, 2005. The entire increase shall be calculated and applied October 1, 2004 in the same fashion as described for the 2002 increases.

2. In accordance with the above effective dates, the Foreman taxable hourly wage shall be $1.00 above the Journey Laborer taxable hourly wage and the General Foreman taxable hourly wage shall be $2.00 above the Journey Laborer taxable hourly wage.

3. The categories of Vacation/Holiday, Health & Welfare, Pension, and Annuity Retirees' Health & Welfare and National Pension Fund will comprise the fringe benefit package. Allocation amounts identified by the Union will be forwarded to the respective fund and any reallocation or formula changes shall occur only on July 1st each year of this MOU. The Authority shall for the duration of this MOU, contribute to the Retirees' Health & Welfare fund in accordance with appendix B. The Union will notify the Authority in writing of any such changes, and reallocations shall be effective no later than the second pay period following receipt of such notice.

4. The Authority shall forward to the Laborers' International Union of North America, National Pension Fund, effective January 1, 2002 for each day or portion thereof for which an employee receives pay, the sum of $2.40 per week for each employee. The undersigned agrees to sign the *"Standard Form of Participation Agreement"* which becomes part of this MOU (Appendix C). The Union may increase the contribution paid by the employee and forwarded by the Authority to the pension fund sixty (60) days prior to the beginning of the following fiscal year.

ARTICLE XX
WORKDAY, WORKWEEK, SCHEDULES & OVERTIME

This article defines the normal hours of work and overtime provisions and shall not be construed as a guarantee of hours of work per day nor of days of work per week.

1. WORK DAY & WEEK

The normal workday shall be eight (8) hours between the hours of 8:00 A.M. and 4:30 P.M. The normal workweek shall consist of 40 hours of work, Monday through Friday. The hours of employment shall be reckoned by the day and half (½) day, with the fraction of a half (½) day to be paid for as four (4) hours.

2. SHOW-UP TIME

When an individual has been directed to report to work and there is no work provided by the Authority, he/she shall be paid (4) hours show up time. If after

reporting to work, inclement weather results in the inability to perform the required work, the individual shall be entitled to show up time only if they remain on the job site for at least two (2) hours while waiting for the weather to improve. If the supervisor cancels the workday because of inclement weather prior to the two (2) hour mark, individuals shall receive two (2) hours pay. If the individual works at least four (4) hours and inclement weather causes the workday to be cancelled, the individual shall be paid for the actual hours worked.

3. ALTERNATE WORK SCHEDULES & SHIFTS

The Authority, at its discretion, shall retain the right to establish a "swing shift" from 3:00 P.M. to 11:30 P.M. Individuals working this shift shall recieve a ten percent (10%) shift differential above their normal base hourly rate.

4. CALL BACK

Call back pay shall be a minimum of two (2) hours and subject to the overtime provisions in this MOU, if applicable. When an individual is called back and the work is accomplished in less than two (2) hours, the Authority may assign additional work that fulfills the entire two (2) hour period.

6. OVERTIME

When workload necessitates or emergencies arise, the Authority has the right to request individuals to work more than eight (8) hours. Overtime shall be assigned on a rotational basis so that all individuals have the opportunity to accept available overtime. Overtime shall be paid according to the following schedule:

Weekdays - Time and one-half (1½x).

Saturdays - Time and one-half (1½x)

Sundays & Holidays – Double Time (2x) for all hours worked.

Individuals who are working on overtime rates prior to midnight, and who continue to work past midnight, shall be treated as working one continuous day for overtime calculation purposes. (Midnight under this scenario will not be considered a new day and the individual shall continue to receive the overtime rate as long as he/she works continuously).

6. HOLIDAYS

Recognized holidays are New Year's Day, Martin Luther King Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving, the Friday following Thanksgiving Day, and Christmas Day. If any of the above holidays fall on a Saturday the preceding Friday shall be observed as the holiday. Holidays that fall on Sunday, the following Monday shall be observed as the holiday. Except for the preceding holidays, individuals desiring to work shall be allowed to do so, even if the Authority is otherwise closed for business, (i.e. Lincoln's Birthday & Admissions Day).

7. MEAL PERIODS

Meal periods are one half (½) hour, do not count as time worked, and are not compensable in any way.

ARTICLE XXI
LEAVES

1. WITNESS OR JURY DUTY LEAVE

Effective October 1, 2002, individuals shall be eligible for paid leave up to a maximum of sixteen (16) working days while going to and from or while serving on jury duty, or answering a subpoena in any case that they are not a litigant. Any jury or witness fee awarded, excluding mileage, shall be deposited with the Authority upon receipt by the individual.

2. BEREAVEMENT LEAVE

Effective October 1, 2002 individuals shall be eligible for paid leave due to the death of a parent(s), stepparent(s), grandparent(s), parent(s)-in-law, spouse, domestic partner, child, sibling, grandchild, step child, adopted child, legal guardian or any person who is permanently residing in the household of the employee shall not exceed three (3) days and shall be taken within thirty (30) calendar days of the date of death. Two (2) additional working days shall be granted if travel of over seventy-five (75) miles is required as a result of the death.

A. Paid leave due to the death of other relatives shall not exceed one (1) working day and shall be taken within thirty (30) calendar days of the date of death. Two (2) additional working days shall be granted if travel of over seventy-five (75) miles is required as a result of the relative's death.

B. The Authority may require the employee to produce documentation validating the legitimacy of the claim. Failure to produce documentation will invalidate a request for paid bereavement leave.

SIGNATORIES

This MOU has been entered into in accordance with the provisions contained in article I, on this 14th day of August 2002 by the following:

Laborers' Representatives:

Oscar De La Torre, Business Manager

Housing Authority Representative:

Paul Howard, Chief Negotiator

ANNUAL AND PROBATIONARY EMPLOYEE PERFORMANCE EVALUATION FORM

PROBATIONARY EMPLOYEE
- ☐ FIRST
- ☐ SECOND

REGULAR EMPLOYEE
- ☐ ANNUAL

NAME (Last First Initial)	SOCIAL SECURITY NUMBER	REPORT DATE
POSITION TITLE		DATE PROBATION ENDS
DEPARTMENT NAME	DIVISION/UNIT	EMPLOYEE'S WORK LOCATION

YOUR WORK PERFORMANCE WILL DETERMINE WHETHER YOU OBTAIN REGULAR EMPLOYMENT STATUS

QUALIFICATION FACTORS	RATINGS ARE INDICATED BY "X" MARKS			
	UNACCEPTABLE	DEVELOPMENT NEEDED	STANDARDS ACHIEVED	OUTSTANDING
1. **SKILL**-Expertness in doing specific tasks; accuracy; precision, completeness, neatness, quantity.				
2. **KNOWLEDGE**-Extent of knowledge of methods, materials, tools, equipment, technical expressions and other fundamental object matter.				
3. **WORK HABITS** - Organization of work; care of equipment, punctuality and dependability; industry; follows good practices of vehicle and personal safety.				
4. **RELATIONSHIPS WITH PEOPLE** - Ability to get along with others; effectiveness in dealing with the public, other employees, residents, or vendors.				
5. **LEARNING ABILITY** - Speed and thoroughness in learning procedures, laws, rules and other details; alertness; perseverance.				
6. **ATTITUDE** - Enthusiasm for the work; willingness to conform to job requirements and to accept suggestions for work improvement; adaptability.				
7. **SUPERVISORY ABILITY** *(if applicable)* - Proficiency in training employees and in planning, organizing, assigning and producing work; leadership; ability to communicate orally and in writing, ability to motivate subordinates.				
8. **ADMINISTRATIVE ABILITY** *(if applicable)* – Prompt action; sound decisions, application of good management practices; understanding and effective implementation of departmental and personnel management polices.				
9. **FACTORS NOT LISTED ABOVE** (Use additional sheets if more space is needed.)				
OVERALLL RATING - The over-all rating must be consistent with the factor ratings and comments, but there is no prescribed formula for computing the over-all rating.				

COMMENTS TO EMPLOYEE - *(Supervisor should include factual examples on work especially well or poorly done and give suggestions as to how performance can be improved. Factor and overall ratings of unacceptable and overall ratings of outstanding must be substantiated. Use additional sheets if more space is needed.)*

Rater discussed report with employee (Must be attempted) ☐ YES ☐ NO

I RECOMMEND YOU BE GRANTED REGULAR EMPLOYMENT STATUS ☐ YES ☐ NO

RATER'S SIGNATURE	TITLE	DATE SIGNED
EMPLOYEE'S SIGNATURE	DATE SIGNED	☐ I would like to discuss this report with the reviewing officer.

REVIEWING OFFICER'S SIGNATURE	DATE SIGNED	DATE DISCUSSED WITH EMPLOYEE
☐ I concur in the ratings given by the rater. ☐ I have made following changes in this report (Use additional sheets if more space is needed).		

DISTRIBUTION COPIES: 1. Personnel Files 2. Employee 3. Supervisor 4. Miscellaneous

APPENDIX B

LABORERS' LOCAL 261 – MAINTENANCE PROGRAM
BASE HOURLY WAGE & FRINGE BENEFITS SCHEDULE FOR THE 2002

Class	Current Hourly Base Wage	MOU Provision	Hourly Base Wage 12/31/01 See Footnote	IPF 12/31/01	Vac/ Hol 7/1/02	H&W 7/1/02	Retiree H&W 12/30/02	Pension 7/1/02	Annuity 7/1/02
Laborer Step 1	$17.49	5.25% of Total Pkg	$19.01	$0.06	$2.28	$3.29	$0.05	$2.16	$0.43
Laborer Step 2	$18.69	5.25% of Total Pkg	$20.21	$0.06	$2.28	$3.29	$0.05	$2.16	$0.43
Laborer Step 3	$19.89	5.25% of Total Pkg	$21.41	$0.06	$2.28	$3.29	$0.05	$2.16	$0.43
Laborer Step 4	$21.08	5.25% of Total Pkg	$22.60	$0.06	$2.28	$3.29	$0.05	$2.16	$0.43
Laborer Step 5	$22.27	5.25% of Total Pkg	$23.79	$0.06	$2.28	$3.29	$0.05	$2.16	$0.43
Laborer Foreman	$23.27	$1 > Step 5 Laborer	$24.79	$0.06	$2.28	$3.29	$0.05	$2.16	$0.43
Laborer General Foreman	$24.52	$2 > Step 5 Laborer	$25.79	$0.06	$2.28	$3.29	$0.05	$2.16	$0.43

Footnote: Unless otherwise provided in this MOU, hourly base wages must be reduced to accommodate trust fund allocation increases each July.

LABORERS' INTERNATIONAL UNION OF NORTH AMERICA
NATIONAL (INDUSTRIAL) PENSION FUND
905 - 16th Street, N.W.
Washington, D.C. 20006-1765

FUND ADMINISTRATOR
RICHARD H. MORESCHI
PHONE: (202) 737-1664
FAX: (202) 347-0721

BOARD OF TRUSTEES
UNION TRUSTEES
TERENCE M. O'SULLIVAN,
CO-CHAIRMAN
CARL E. BOOKER
MASON M. WARREN

EMPLOYER TRUSTEES
GEORGE J. FISCHER,
CO-CHAIRMAN
ALFRED A. CAVALLARO

"STANDARD FORM OF PARTICIPATION AGREEMENT"

The undersigned Employer and Union represent that the only agreement between the said parties regarding pensions or retirement for employees covered by the Collective Bargaining Agreement between the parties is as follows:

1. Commencing with the _____ day of _____, 20 _____, and for the duration of the current Collective Bargaining Agreement between the said parties, and any renewals or extensions thereof, the Employer agrees to make payments to the Laborers' International Union of North America National (Industrial) Pension Fund for each employee covered by said Collective Bargaining Agreement, as follows:

(only one section (a), (b) or (c) is to be completed)

(a) For each day or portion thereof for which an employee receives pay, the Employer shall make a contribution of $ _____ per hour to the above-named Pension Fund, but not less than $ _____ per day (8 × the hourly rate) $ _____ per week (5 × the daily rate) for each employee. For the purposes of this Agreement, each day paid for, including days of paid vacation, paid holidays and other days for which pay is received by the employee, in accordance with the Collective Bargaining Agreement, shall be counted as days for which contributions are payable.

(b) For each hour or portion thereof for which an employee receives pay, the Employer shall make a contribution of $ _____ to the above-named Pension Fund for which the employee is paid. For purposes of this Agreement each hour paid for, including hours of paid vacation, paid holidays and other periods for which pay is received by the employee, in accordance with the Collective Bargaining Agreement, shall be counted as hours for which contributions are payable.

(c) For each hour or portion therof for which an employee receives pay, the Employer shall make a contribution of _____% for which a gross salary is paid to the Employee to the above-named Pension Fund. For purposes of this Agreement each hour paid for, including hours of paid vacation, paid holidays and other periods for which pay is received by the employee, in accordance with the Collective Bargaining Agreement, shall be counted as hours for which contributions are payable.

2. Contributions shall be paid on behalf of an employee starting with the employee's first day of employment in a job classification covered by the Collective Bargaining Agreement.

3. The payments to the Pension Fund required above shall be made to the "LIUNA National (Industrial) Pension Fund" which was established under an Agreement and Declaration of Trust, a copy of which has been signed by the Employer in the place provided at the end of such agreement.

4. It is agreed that all contributions shall be made at such time and in such manner as the Trustees require; and the Trustees shall have the authority to have an independent Certified Public Accountant audit the payroll and wage records of the Employer for the purposes of determining the accuracy of contributions to the Pension Fund.

5. If the Employer becomes delinquent in making its required contributions to the Fund within the meaning of the Agreement and Declaration of Trust, the Union shall have the right to take whatever steps it deems necessary to secure compliance with this Agreement, any provision of the Collective Bargaining Agreement notwithstanding; however, such action by the Union shall neither bind nor otherwise affect the Pension Fund's rights and recourse with respect to the Employer's delinquency. The Employer's liability for payment hereunder shall not be subject to any grievance or arbitration procedure provided under the Collective Bargaining Agreement. An Employer which becomes delinquent in making contributions to the Pension Fund shall be subject to the procedures and remedies provided in the Agreement and Declaration of Trust, including interest, liquidated damages, auditing charges, attorneys' fees and court costs.

The Employer and the Union agree to accept, be bound by and comply fully with all terms of the Agreement and Declaration of Trust of the Laborers' International Union of North America National (Industrial) Pension Fund and any amendments thereto, whether heretofore or hereafter made.

7. It is agreed that the Pension Plan adopted by the Trustees of the said Pension Fund shall at all times conform with the requirements of the Internal Revenue Code so as to enable the Employer at all times to treat contributions to the Pension Fund as a deduction for income tax purposes.

8. The parties agree that this Participation Agreement shall be considered a part of the Collective Bargaining Agreement between the undersigned parties.

9. The expiration date of the present Collective Bargaining Agreement between the undersigned parties is _____, 20 _____. Any copies of renewal or extension agreements will be furnished promptly to the Pension Fund Office and, if not consistent with the Participation Agreement, can be used by the Trustees as the basis for termination of participation of the Employer.

FOR THE LABORERS' INTERNATIONAL UNION OF NORTH AMERICA, LOCAL UNION No. _____

DISTRICT COUNCIL _____

By: _____ Date: _____

Authorized Officer

FOR THE EMPLOYER:

_____

(Insert Name of Employer)

Address _____

By: _____ Date: _____

Authorized Officer

For plants located at:

_____

_____

B

SAN FRANCISCO HOUSING AUTHORITY

1815 EGBERT AVENUE • SAN FRANCISCO, CALIFORNIA 94124 • (415) 715-3100

TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

Sululagi Palega, Sr., President
Julie Lee, Vice President
Shirley Byrd, Commissioner
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner

FROM: GREGG FORTNER, SECRETARY / EXECUTIVE DIRECTOR

DATE: SEPTEMBER 12, 2002

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACTS WITH LIN + MEINHARDT AND WITH GREG ROJA & ASSOCIATES TO PROVIDE ARCHITECT/ ENGINEER CONSULTANT SERVICES ON AN AS-NEEDED, TASK ASSIGNMENT BASIS FOR ALL DEVELOPMENTS IN AN AMOUNT NOT-TO-EXCEED $165,000 FOR EACH CONTRACT OVER A TWO-YEAR PERIOD

OVERVIEW

This Resolution will authorize the Executive Director to enter into two contracts with the two highest-ranked architect/engineer consulting firms on an as-needed, task assignment basis for all developments over the next two years. These two contracts will provide the San Francisco Housing Authority (Authority) architect/engineer services for over $29 million in capital improvements through the FY01 and FY02 Capital Fund Programs.

OBJECTIVE

The Authority has planned and budgeted over $29 million in capital improvements through the FY01 and FY02 Capital Fund Programs. The objective of these two contracts is to provide the Authority with competent professional, licensed architectural consultants to assess the need, design the solution, prepare construction documents for public bidding, and provide technical expertise to evaluate the contractor's construction and performance under the contract.

Services include but are not limited to the tasks described below:

Existing Facilities:

1. Provide field and office testing and investigations, evaluations, analysis and reports in writing;

2. Develop recommendations and cost estimates to provide corrective actions to any problems revealed in a particular portion of the work;

3. Prepare comprehensive construction documents for public bidding within an estimated construction cost;

4. Apply for and obtain building permits; or

5. Prepare comprehensive construction documents for construction work performed by the Local Authority's crafts people.

New Construction:

6. Provide Programming;

7. Prepare schematic designs, design developments, outline specifications, construction cost estimates;

8. Prepare comprehensive construction documents for public bidding within an estimated construction cost;

9. Apply for and obtain building permits; or

10. Prepare comprehensive construction documents for construction work performed by the Local Authority's crafts people.

General

11. Assist with clarifications during the bid process, evaluation of bids received process, contract award and pre-construction phases;

12. Assist the Local Authority's staff during the construction phase by providing construction administration support services such as clarifications, review of proposed contract changes, performing periodic site inspections, and conducting a final survey to determine if the work performed was in accordance with the project plans and specifications;

13. Attend meetings as required; and

14. Task assignment services by the Architect/Engineer Consultant may require services from sub-consultants to the Architect/Engineer Consultant. Sub-consultants may include, but are not limited to, services by

    a. Acoustical Engineer
    b. Civil Engineer (including surveying)
    c. Cost Estimator
    d. Soils Engineer
    e. Structural Engineer
    f. Electrical Engineer
    g. Mechanical Engineer
    h. Landscape Architect
    i. Special Construction Inspection

PROCUREMENT

The procurement process for the action covered by this Resolution meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1, "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws. The completed procurement process has been reviewed and approved by HUD.

The Authority and all public agencies in California are required by State and Federal law to select architect/engineer consultants on the basis of qualifications in the form of a Request for Qualifications (RFQ).

Solicitation Process

Pre-approval of the RFQ was obtained from Authority management prior to advertisement.

The RFQ for Architectural Consultant Services was issued on May 3, 2002. Announcement of the RFQ was made to the SF City Outreach Services and the SF Chapter of the American Institute of Architects. The announcement was posted on the SF City Bids and Contracts newsletter, the SF City web site, the SFHA web site, and the Small Business Administrations' Sub-Net web site. An advertisement was published in the San Francisco Chronicle/Examiner, the Daily Pacific Builder, the Sing Tao Daily, and the SF Bayview. Finally, the announcement and proposals were mailed to 131 professional firms and individuals.

Thirteen proposals were received by the June 14, 2002 deadline.

Evaluation Process for Stand-by Architectural Consulting Services

The evaluation process consisted of an evaluation of the written responses to the RFQ to shortlist the highest-ranked firms for oral interviews. The five top-ranked firms were Frank/Architects, Hilliard Lau Architects, Inc., Lin + Meinhardt, Greg Roja & Associates, and Tectonics. Interviews were conducted with each firm on July 11, 2002, during which time the respondents discussed their proposals and clarified issues raised by the Evaluation Panel.

Evaluation Panel Members
Chairperson: Ingerbore Rivera, Housing Development and Modernization, Acting Junior Management Analyst. A former resident selected for her knowledge of physical conditions at development sites and understanding of residents' expectations for improvements under the Capital Grant Program.

Member: Edda Piccini, Architect, Housing Development and Modernization, Senior Project Manager. Selected for her expertise in public housing design and construction, and consultant management.

Member: David Leash, Architect, Housing Development and Modernization, Senior Project Manager. Selected for his expertise in public housing modernization design and construction matters.

Evaluation Criteria
Listed below are the evaluation criteria and their relative weight. Described in italics are the reasons for the different criteria. The Director of Contract/Procurement Division approved the criteria and weighting given to each, which is based on the Authority's standard Request for Qualifications questions and weighing.

No.	Criteria & Reason	Weight
A	Criterion: Qualifications. *This allows evaluation of the firm's technical expertise as measured by the quantity and type of work performed by the firm and its years in business.*	20 points
B	Criterion: Staff Profiles. *This provides insight into the quality of the staff as measured by their professional degrees, licenses and experience with the type of work required by this contract. The local staff size and their credentials is a quantitative measure of their knowledge, and is indicative of the theirs ability to respond quickly with qualified staff.*	20 points
C	Criterion: Understanding of the project. *This demonstrates the proposed consultant' familiarity with design issues most frequently encountered with urban public housing in both family housing and mid-rise buildings. A firm with this experience is most capable of providing economical, efficient solutions to by the Housing Authority.*	40 points
D	Criterion: Approach to project. *This item allows us to determine that the selected consultant has not only office technical skills but also possesses sufficient field experience to effectively deal with field problems and contractor issues.*	15 points

E	Criterion: MBE/WBE participation and Affirmative Action practices. *This allows evaluation of the firm's commitment to MBE/WBE participation and analysis of its detailed plan for resident hiring.*	5 points
	Total	100 points

The Evaluation Panel reviewed the firms based on the above criteria in the RFQ and ranked the firms as follows:

Firm and Rank	Panelist 1	Panelist 2	Panelist 3	Average Score
1. Lin+Meinhardt	99	97	99	98.3
2. Greg Roja & Associates	98	92	100	96.7
3. Tectonics	75	88	100	87.7
4. Frank/Architects	65	75	67	69.0
5. Hilliard Lau	66	40	85	63.7

PRESENT SITUATION

The prior architect consultant contracts were successfully completed and concluded in July 2002 at the end of their two-year term. The consultants provided design, construction documents and construction administration which allowed completion of over $19 million in emergency fund construction projects and over two dozen completed 504/ADA accessibility construction projects. The FY01 and FY02 Capital Funds Program includes numerous planned construction projects which require architect/engineer consulting services.

A sample of the planned capital work over for the next two years include waterproofing at Clementina Towers, waterproofing and structural repairs at Westbrook and Alice Griffith., and accessibility upgrade for various developments. The Authority also needs to have consultants under contract in order to be able to react quickly to any emergency situations that may arise.

ANTICIPATED OUTCOMES

If this contract is funded the anticipated outcomes are:

- The Authority will receive quality architect/engineer services for Capital Fund Program construction.
- The Authority will be able to comply with all Federal, State and City Codes and Regulations.
- The Authority will provide a safer and efficient service to residents.
- Residents will have opportunity for training and employment.

WHO BENEFITS

Residents benefit from having appropriate architectural services for all contracted and in-house construction work. Inadequately designed or constructed improvements can be detrimental to the health and well-being of residents. Poorly designed capital improvements also run the risk of code violations. Residents also benefit by the Authority's ability to respond quickly to emergency situations.

BUDGET CONSIDERATIONS

Funding for this contract is immediately available within the 2001 and 2002 Capital Fund Programs. Hourly billing rates and reimbursable expenses have been negotiated and established at a competitive range.

RESIDENT EMPLOYMENT

Both Lin + Meinhardt and Greg Roja and Associates have agreed to hire public housing residents to meet the 25% requirement for non-construction contracts which exceed $50,000. They have both met with the Authority's resident hiring specialist to seek out and interview qualified Authority residents for job opportunities in their office for technical trainees and/or administrative assistants. This will provide for over 400 hours of full-time employment of public housing residents for each contract.

Lin + Meinhardt previously hired residents for a prior contract completed in 2000, while Greg Roja and Associates will be entering their first contract with the Authority.

MBE/WBE STATUS

Lin + Meinhardt is Women-Owned Minority Business Enterprise certified by the San Francisco Human Rights Commission. It has a diverse workforce in its office and has provided an Affirmative Action Acknowledgement form that meets the requirements of Executive Order 11246.

Greg Roja & Associates is Minority Business Enterprise certified by the San Francisco Human Rights Commission. It has a diverse workforce in its office and has provided an Affirmative Action Acknowledgement form that meets the requirements of Executive Order 11246.

RECOMMENDATION

I recommend approval of this Resolution.

(Prepared by Barbara Smith and Steve Haines, Housing Development and Modernization Department)

RESOLUTION NO._____
DATE ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACTS WITH LIN + MEINHARDT AND WITH GREG ROJA & ASSOCIATES TO PROVIDE ARCHITECT/ ENGINEER CONSULTANT SERVICES ON AN AS-NEEDED, TASK ASSIGNMENT BASIS FOR ALL DEVELOPMENTS IN AN AMOUNT NOT-TO-EXCEED $165,000 FOR EACH CONTRACT OVER A TWO-YEAR PERIOD

WHEREAS, the San Francisco Housing Authority (Authority) requires architect/engineer consultants who can provide architectural services on an as-needed, task assignment basis; and

WHEREAS, the contracts with the current architect and engineer consultants are completed; and

WHEREAS, the Authority has programmed capital work funded with the 2001 and 2002 Capital Fund Programs which will each require architect/engineer design and construction administration services; and

WHEREAS, Lin + Meinhardt and Greg Roja and Associates have been selected through the Request for Qualifications process as the two most advantageous qualified firm for this work; and

WHEREAS, funding is available within the 2001 and 2002 Capital Fund Programs budgets; and

WHEREAS, the procurement process for this contract meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1 "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws, and has been reviewed and approved by HUD.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is authorized to execute an as needed, task assignment basis contract with Lin + Meinhardt and with Greg Roja and Associates for Architect/Engineer Consultant Services for all developments in an amount not-to-exceed of $165,000 for each contract over a two-year period.

2. This Resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

Carl L. Williams
CARL L. WILLIAMS, General Counsel

Date: 9-5-02

REVIEWED BY:

GREGG FORTNER, Executive Director

Date: 9/5/02

C

SAN FRANCISCO HOUSING AUTHORITY

440 TURK STREET • SAN FRANCISCO, CALIFORNIA 94102 • (415) 554-1200

Date: September 3, 2002

TO: San Francisco Housing Authority Commission

Sululagi Palega, Sr., President
Julie Lee, Vice-President
Rev. Edgar Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

FROM: Gregg Fortner, Secetary/Executive Director

SUBJECT: RESOLUTION AFFIRMING A CIVIL RIGHTS POLICY OF THE SAN FRANCISCO HOUSING AUTHORITY

Overview

This Resolution confirms that the San Francisco Housing Authority is dedicated to providing quality, public affordable housing administered without regard to race, color, gender, religion, ethnicity or national origin, disability or sexual orientation. This Civil Rights Policy and its formal adoption by the Board of Commissioners affirms the rules and procedures and a process by which applicants, residents, and their visitors may report and seek redress from alleged threats, harassment, violence or abuse while they are on San Francisco Housing Authority property.

Objective

Formal adoption of the Civil Rights Policy by the Board of Commissioners will institutionalize and confirm that the San Francisco Housing Authority is in full compliance with Civil Rights laws. The Office of Fair Housing of the San Francisco Housing Authority will have the responsibility for the implementation of the Civil Rights Policy and a Manual of Procedures and Guidelines has been developed for the expressed purpose of providing a methodology for investigating all alleged acts of discrimination.

2710

Anticipated Outcomes

The Civil Rights Policy will assure all residents and the greater community that the San Francisco Housing Authority has a formal process by which to address complaints of alleged discrimination. The Office of Fair Housing will be responsible for the implementation of the Civil Rights Policy and a Manual of Procedures and Guidelines has been developed to assist staff members in the proper disposition of any alleged complaint of discrimination.

Who Benefits

Applicants, residents, their visitors, and the greater San Francisco community will benefit from this formally adopted Civil Rights Policy. Through the Office of Fair Housing, residents, visitors and other persons from the greater community will have a means to address all alleged complaints of discrimination.

Budget Considerations

This resolution is a policy statement of the San Francisco Housing Authority. There are no funds requested. The Executive Director has established the Office of Fair Housing and funding for the office has been established through the regular budgeting procedures of the San Francisco Housing Authority.

Policy Implementation

The Civil Rights Policy reaffirms the San Francisco Housing Authority's commitment, consistent with applicable federal, state and local law, to promote and provide a living environment free from discrimination and/or harassment. The Civil Rights Policy will be formally attached to the San Francisco Housing Authority's Admission and Continued Occupancy Policy (ACOP).

Recommendation

It is recommended that the Board of Commissioners adopt and approve the Resolution.

Prepared by Buddy Tate Choy

RESOLUTION NO._____
DATE ADOPTED:_____

RESOLUTION FORMALLY ADOPTING THE CIVIL RIGHTS POLICY OF THE SAN FRANCISCO HOUSING AUTHORITY AND AFFIRMING THAT ALL HOUSING PROGRAMS ARE ADMINISTERED WITHOUT REGARD TO RACE, COLOR, GENDER, RELIGION, ETHNICITY OR NATIONAL ORIGIN, DISABILITY, OR SEXUAL ORIENTATION.

WHEREAS, the San Francisco Housing Authority (SFHA) is dedicated to providing quality, public affordable housing; and

WHEREAS, the San Francisco Housing Authority must comply with Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968 as Amended in 1988, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the California Fair Employment and Housing Act, and Article 33 of the San Francisco Police Code (Fair Housing Ordinance); and

WHEREAS, it is the policy and duty of the San Francisco Housing Authority to administer all aspects of its housing programs without regard to race, color, gender, religion, ethnicity or national origin, disability or sexual orientation; and

WHEREAS, the San Francisco Housing Authority desires to confirm and attach the Civil Rights Policy to its Admissions and Continuing Policy; and

WHEREAS, the San Francisco Housing Authority has established an Office of Fair Housing to administer and implement all aspects of the Civil Rights Policy;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Board of Commissioners approves the adoption of the Civil Rights Policy and directs the Executive Director to fully implement a program assuring the civil rights of all residents and their visitors.

2. This Resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

Carl L. Williams, General Counsel

Date: 5-5-02

REVIEWED BY:

Gregg Fortner,
Executive Director

Date: 5/5/02

SAN FRANCISCO HOUSING AUTHORITY

440 TURK STREET • SAN FRANCISCO, CALIFORNIA 94102 • (415) 554-1200

CIVIL RIGHTS POLICY

The San Francisco Housing Authority is dedicated to providing quality, public affordable housing. Our goal is to create welcoming, secure communities for families, the elderly and disabled persons. We strive to prevent residents and guests from engaging in actions that could be considered civil rights incidents. We work diligently to create positive living environments to enhance the quality of life for our residents.

Each of our developments is a special place, reflecting the rich diversity in the experiences and backgrounds of our residents and the surrounding neighborhoods. We welcome people from many different walks of life and enjoy being part of their lives in a meaningful way by providing secure, comfortable housing. We encourage, celebrate, and value diversity in our communities.

We take pride in continually working to provide our residents with safe and sanitary housing within their financial means. We make every effort to provide the highest level of customer service and to be a good neighbor. We are a positive influence within the neighborhoods we serve and work to impact positively the lives of our residents and the surrounding communities.

It is the policy and duty of the San Francisco Housing Authority to administer all aspects of its housing program without regard to race, color, gender, religion, ethnicity or national origin, disability or sexual orientation. The San Francisco Housing Authority affirms that this Civil Rights Policy and the accompanying rules and procedures are intended to provide a process by which applicants, residents, and their visitors may report and seek redress from alleged threats, harassment, violence or abuse while they are on San Francisco Housing Authority property.

Further, it is the policy of the San Francisco Housing Authority to comply with all applicable laws relating to Civil Rights, including:

- The federal Fair Housing Act (Title VIII of the Civil Rights Act of 1968)
- Section 504 of the Rehabilitation Act of 1973 (federal)
- Title II of the American with Disabilities Act of 1990 (federal)
- Title VI of the Civil Rights Act of 1964 (federal)

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- The Fair Employment and Housing Act (State of California)
- City and County of San Francisco Fair Housing Ordinance

Moreover, residents of the San Francisco Housing Authority are entitled to be free from unlawful discrimination. To ensure the success of this policy, the San Francisco Housing Authority Commission specifically declares that this Civil Rights Policy confirms the San Francisco Housing Authority Dwelling Lease, Section 13 (L), which states: "to assure that all Household members, guests, or other persons under the Tenant's control, shall not engage in: (1) any activity that threatens the health, safety or the right to peaceful enjoyment of any of the premises of other residents or SFHA employees... ".

Consistent with this policy, alleged civil rights violations will be promptly reviewed and rapidly addressed. Violations of the San Francisco Housing Authority dwelling lease, as augmented and supplemented by this policy, could result in action up to, and including, eviction against those found violating the lease or this policy.

Adopted by Resolution of the San Francisco Housing Authority Board of Commissioners
Resolution No. _____, Date of Meeting_____

San Francisco Housing Authority
Office of Fair Housing
1815 Egbert Street
San Francisco, California 94124

MANUAL OF PROCEDURES AND GUIDELINES (Fair Housing)

San Francisco Housing Authority
OFFICE OF FAIR HOUSING

Manual of Guidelines and Procedures

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INTRODUCTION

The San Francisco Housing Authority is dedicated to providing quality, public affordable housing. Our goal is to create welcoming, secure communities for families, the elderly and disabled persons. We strive to prevent residents and guests from actions that could be considered civil rights incidents. We work diligently to create positive living environments to enhance the quality of life for our residents.

Each of our developments is a special place, reflecting the rich diversity in the experiences and backgrounds of our residents and the surrounding neighborhoods. We welcome people from many different walks of life and enjoy being a part of their lives in a meaningful way by providing secure, comfortable housing. We encourage, celebrate, and value diversity in our communities.

We take pride in continually working to provide our residents with safe and sanitary housing within their financial means. We make every effort to provide the highest level of customer service and to be a good neighbor. We are a positive influence within the neighborhoods we serve and work to impact positively the lives of our residents and the surrounding communities.

It is the policy and duty of the San Francisco Housing Authority to administer all aspects of its housing without regard to race, color, gender, religion, ethnicity or national origin, disability or sexual orientation. The San Francisco Housing Authority affirms that its Civil Rights Policy and this Manual of Procedures and Guidelines are intended to be a process by which applicants, residents, and their visitors may report and seek redress from alleged threats, harassment, violence or abuse while they are on San Francisco Housing Authority property. Alleged civil rights violations will be promptly reviewed and rapidly addressed.

FEDERAL, STATE AND LOCAL STATUTES

Title VI of the Civil Rights Act of 1964 --- No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Title VIII of the Civil Rights Act of 1968 as Amended in 1988 --- Title VIII of the Fair Housing Act of 1968 makes it unlawful to discriminate in any aspect of the provision of housing on the basis of race, color, sex, national origin, religion, familial status, or disability.

Section 504 of the Rehabilitation Act of 1973 --- No otherwise qualified person shall, solely by reason of his/her handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving Federal financial assistance. Pursuant to this Act, the SFHA is required to ensure accessibility to qualified persons with handicaps.

Americans with Disabilities Act of 1990 --- This Act provides a clear and comprehensive national mandate for the elimination of discrimination against persons with disabilities by providing strong enforceable standards addressing discrimination against individuals with disabilities. Pursuant to this Act, the SFHA is prohibited from discriminating against individuals with disabilities and is required to provide disabled persons with reasonable accommodations, unless doing so imposes an undue hardship on the Authority.

California Fair Employment and Housing Act --- This Act is similar to the federal law; four additional protected bases: marital status, ancestry, sexual orientation and source of income.

City of San Francisco Fair Housing Ordinance --- Article 33 of the San Francisco Police Code prohibits discrimination based on race, religion, color, ancestry, age, sex, sexual orientation, gender identity, disability, place of birth, weight or height, and source of income. The San Francisco Human Rights Commission is mandated to investigate and mediate all complaints.

CONFIDENTIALITY AND NON-RETALIATION POLICY

Information and documents received during any administrative inquiry conducted by the SFHA shall be kept confidential to the extent required by law. Individuals shall be entitled to copies of their own affidavits or other signed documents. Federal, state and local law enforcement agencies, including civil rights agencies, shall be provided with such information and documents as is authorized by law.

The SFHA will not take retaliatory action against any person for having reported an alleged civil rights violation, or for having aided or encouraged any person to report a civil rights violation, or for having assisted in the investigation of such a report.

IDENTIFYING A CIVIL RIGHTS INCIDENT

When a SFHA employee learns of an incident involving threats, harassment, violence or abuse, he/she should immediately report the incident as set forth in the Response Procedures. The determination as to whether a civil rights incident has occurred shall be made by the Office of Fair Housing in conjunction with local law enforcement agencies.

Bias Indicators: Bias indicators are certain facts and circumstances which, coupled with particular language or behavior, suggest that a potential civil rights violation has occurred. The presence of any one or more indicators does not necessarily mean that a civil rights violation has occurred, but rather it is an indication that an Administrative Inquiry is required to make a determination.

Bias Motive: Bias motive is hostility, or negative attitude toward, or prejudice against any group or individual due to race, color, national/ethnic origin, religion, gender, sexual orientation or handicap, which is a factor in whole or in part, in the commission of an act. A bias motive can be implied from the presence of one or more of the following list of bias indicators. This is not an exhaustive list.

BIAS INDICATORS

- The offender and victim were of different racial, religious, ethnic/national origin, handicap, sexual orientation or gender groups.
- Bias-related oral comments, written statements or gestures were made by the offender, which indicate his/her bias.
- Bias-related drawings, markings, symbols or graffiti were left at the scene of an incident or anywhere on or about SFHA property.
- Certain objects, items, or things which indicate bias were used or left behind by the offender(s).
- The victim is a member of a racial, religious, ethnic/national origin, handicap, sexual orientation or gender group that is outnumbered by members of another group in the area where the victim lives and/or the incident occurred.
- The victim was visiting a location where previous civil rights violations had been committed against other members of his/her racial, religious, ethnic/national origin, handicap, sexual orientation or gender group.
- Victims or witnesses perceive that the incident was motivated by bias.
- The victim was engaged in activities promoting a racial, religious, ethnic/national origin, handicap, sexual orientation or gender group.
- The incident coincided with a holiday relating to, or a date of particular significance to a racial, religious, ethnic/national origin, handicap, sexual orientation or gender group.

- ❖ The offender was previously involved in a similar incident or is a member of, or associates with, a hate group.
- ❖ An historically established animosity exists between the victim's group and the offender's group.
- ❖ The victim was in the company of, married to, or dating, a member of a targeted group.
- ❖ The victim has received harassing mail or phone calls or has been the victim of verbal abuse based on his/her affiliation with a targeted group.

The statutes listed on page two (2) and the SFHA Lease Agreement are violated when an Individual, on or about SFHA property, commits or attempts to commit, or participates in the commission of an act, which is motivated by a bias toward any person. The act can be in various forms, and the above list is not intended to include every example of a civil rights violation. For example, an act may include threats, intimidation, harassment, breaking windows, damaging property, physical violence, etc.

CIVIL RIGHTS INFORMATION LINE

The Office of Fair Housing has established a non-emergency 24-hour Information Line for the reporting of incidents at housing developments. This telephone number must be clearly posted in all development management offices.

The Information Line is not intended to replace the requirement of completing the Administrative Report Form. Residents reporting incidents at the development offices must be referred immediately to the Office of Fair Housing. Development staff should not refer a resident to the Information Line when the incident is reported at the development.

During *regular business hours,* Office of Fair Housing employees shall be responsible for responding to incidents reported through this number. The following procedures shall apply to those calls:

- Identify emergency situations and get immediate police assistance if the situation warrants.
- Inform the tenant that this is a non-emergency number, and that if immediate police assistance is required they should call 9-1-1.
- List the call in the Office of Fair Housing Phone Log. All calls received via this telephone line must be listed in the logbook.
- When speaking with the tenant, make arrangements to schedule a personal interview unless the person refuses to identify him/herself.
- Inform the tenant of their right to file a complaint with the U.S. Department of Housing and Urban Development (HUD), Fair Housing Enforcement Center, under the Fair Housing Act.
- Inform the tenant of the procedures that the SFHA will follow during its administrative inquiry into the incident.
- Inform the tenant of the possible relief available if the SFHA administrative inquiry or any Police Department investigation uncovers evidence of a civil rights violation (i.e., obtaining a No Trespass order or Temporary Restraining Order, Emergency Transfer to protect the tenant, eviction of the offender, etc.)

Procedure During Non-Business Hours

During non-business hours including weekends and holidays, the Authority shall establish a protocol to ensure that the civil rights information line is answered by an appropriately trained person. The following procedures shall apply to calls received during these hours.

- Identify emergency situations and request immediate police assistance if the situation warrants.
- Inform the tenant that this is a non-emergency number, and that if immediate police assistance is required they should call 9-1-1.
- Request the name of the tenant and telephone number and address which will allow the Office of Fair Housing to contact him/her on the next business day.
- Complete the Civil Rights Telephone Questionnaire, or similar computer data entry.

RESPONSE PROCEDURES

The Office of Fair Housing of the SFHA will review civil rights violations. The SFHA will conduct an Administrative Inquiry whenever a report is filed and will initiate appropriate civil action against the offender. When appropriate, the report will be referred to the San Francisco Police Department who will conduct a criminal investigation and, where appropriate, will forward its findings to the Office of the District Attorney for criminal prosecution and/or the Office of the Attorney General for civil injunctive relief.

The SFHA's response to an incident begins when the incident is initially reported to, or observed by, an employee.

1.1 When a tenant alleges he/she has been victimized by a civil rights incident, it shall be reported to the Office of Fair Housing of the SFHA.

1.2 When a SFHA employee observes a civil rights incident, or any graffiti, writing or drawings containing bias indicators on SFHA property, he/she must immediately report the incident to their supervisor or the Housing Manager of the development where the observation was made. Supervisors must immediately report the incident to the Office of Fair Housing.

1.3 When the Office of Fair Housing is notified of a civil rights incident, all procedures contained herein must be followed.

1.4 When a tenant notifies the Property Manager's Office alleging they have been the victim of a civil rights incident, the Housing Manager must immediately notify the Office of Fair Housing.

1.5 If the tenant reports the incident by telephone, the employee taking the call should immediately refer the tenant to the Office of Fair Housing.

1.6 If an incident is reported anonymously, all efforts should be made to encourage the tenant to provide information through which the Office of Fair Housing may contact them. The tenant should be assured that their name will remain confidential as prescribed by law.

1.7 In all cases,

- ❖ Identify emergency situations and get immediate police assistance.
- ❖ Complete the SFHA Administrative Report Form and provide a copy to the tenant reporting the incident.

- ❖ Inform the tenant of his/her right to file a complaint with the U.S. Department of Housing and Urban Development (HUD), Fair Housing Enforcement Center.
- ❖ When possible, assist the tenant in identifying the offender in those cases where the tenant cannot identify the offender by name.

1.8 When completing the Administrative Report Form, the following guidelines must be followed:

- ❖ The Administrative Report Form must be completed for each reported incident.
- ❖ Every question on the form must be answered to the extent possible.
- ❖ Only Office of Fair Housing staff members should complete the form.
- ❖ Place a copy of the Report in the tenant file and provide the tenant with a copy.
- ❖ When the alleged offender is identified and is a SFHA resident, or guest of a resident, a private conference with the head of household must be scheduled within seven (7) days and no later than fourteen (14) days.
- ❖ Advise the resident of their right to apply for a transfer.

1.9 Making a Log Book entry:

- ❖ A central logbook will be maintained at the Office of Fair Housing. This log will record all reported incidents on SFHA property.
- ❖ The log book must contain the following information: file number, name, address and telephone number of the tenant, description of the nature of the complaint, name and address of the offender(s), if known.

1.10 Upon completion of the Administrative Report Form, the Office of Fair Housing must:

- ❖ Conduct an Administrative Inquiry of the facts and circumstances surrounding the incident and prepare a report detailing the incident including any recommendations.
- ❖ The following factors should be considered when conducting the Administrative Inquiry:
  - a) The identity of the offender(s).
  - b) The nature of the incident.
  - c) Whether the offender(s) acted with a bias motive or intent.
  - d) Whether the offender has committed prior acts of misconduct.
  - e) Whether there is sufficient evidence supporting defenses.
  - f) Whether reliable and credible witnesses are available.
  - g) Whether there are special hardships or mitigating circumstances.
  - h) Whether the household member who committed the act is of a young age.
  - i) Whether the tenant took steps to prevent the misconduct.
  - j) Whether the action was taken in response to another incident.
  - k) The seriousness and circumstances of the incident.
  - l) Whether it is certain that the offender will not return.

1.11 The Office of Fair Housing will, as necessary, consult with the Hate Crimes Unit of the San Francisco Police Department during the inquiry. In addition, the Office of Fair Housing will act as a liaison between the Housing Manager and the Hate Crimes Unit advising them of progress in the investigation and whether the Hate Crimes Unit confirms the violation of a criminal statute. The Executive Director, the Deputy Executive Director, the Director of Housing Management, the Housing Manager and the San Francisco Police Department should be kept informed of all developments in the case.

1.12 The Administrative Inquiry must be completed with thirty (30) days of the incident having been reported.

1.12 A copy of the Administrative Inquiry shall be sent to the appropriate Housing Manager.

NON-RESIDENT OFFENDERS

When the offender(s) is identified but is not a SFHA tenant or member of a tenant's household, the Office of Fair Housing may in addition to the procedures contained herein, request the San Francisco Police Department to issue a No Trespass Notice against the offender.

The Office of Fair Housing may also request that the SFHA Office of General Counsel file a petition requesting the Court to issue a preliminary injunction prohibiting the offender from entering SFHA property.

The Office of General Counsel, where appropriate, will file a complaint pursuant to California law requesting the issuance of a preliminary injunction against the offender.

When the Office of Fair Housing or Property Managers receive information regarding violations of trespass notices, temporary restraining orders, and preliminary injunctions, they must promptly contact the San Francisco Police Department and request that these orders and notices be enforced.

RECORDS

The Office of Fair Housing shall act as the central repository for all documents pertaining to alleged violations. The Office must ensure that a file number is assigned to each case as soon as an incident is reported.

The Office of Fair Housing will maintain a logbook of all complaints of threats, harassment, violence or abuse, by tenants or their visitors.

A new logbook will be started on January 1 of each year.

The Office of Fair Housing will create and maintain an individual file for each incident containing records; (1) detailing the administrative inquiry of the allegation, including statement of all witnesses and employees interviewed and, (2) describing all actions taken by the SFHA.

The Office of Fair Housing LogBook will record all reported incidents on SFHA property.

Copies of all no trespass notices, temporary restraining orders and preliminary injunctions will be kept on file by the Office of Fair Housing.

The files and all documents associated with the incident shall contain the file number assigned by the Office of Fair Housing.

All records will be preserved for a period of five years following the date of the incident unless otherwise needed due to litigation.

GRAFFITI REMOVAL

Whenever an employee observes or receives a report of bias-related graffiti, it must be reported immediately to the management office or the employee's immediate supervisor. The Office of Fair Housing and the San Francisco Police Department must be notified of the incident.

All bias graffiti on SFHA property must be photographed and immediately removed. The Property Manager is responsible for ensuring that graffiti is promptly removed.

COMMUNITY OUTREACH

The SFHA will organize community meetings with residents to establish a dialogue regarding civil rights and public safety issues. The Authority will work with community, youth, and religious leaders toward the establishing an overall safe environment for all residents. The U.S. Department of Housing and Urban Development will be kept apprised of these outreach efforts. The SFHA will encourage participation from all residents in this program.

SFHA PUBLIC SAFETY PARTNERSHIP

The San Francisco Police Department remains the city agency responsible for protecting the constitutional rights of every individual, including the residents of the San Francisco Housing Authority developments. The SFPD will continue to be the primary responder to all 9-1-1 calls in all public housing developments.

A public safety partnership has been formed between the San Francisco Police Department and the San Francisco Housing Authority. Its primary purpose is to significantly improve the level of public safety services to the SFHA's public housing developments. This partnership will be formalized in a *Memorandum of Understanding Regarding San Francisco's Public Housing Developments and a Long Term Strategy For Implementing Community Policing between the City of San Francisco and the San Francisco Housing Authority.*

The Office of Fair Housing is responsible for acting as a liaison between the SFHA and the San Francisco Police Department Hate Crimes Unit.

The Office of Fair Housing and the Hate Crimes Unit will periodically conduct a status review of all pending cases.

TRANSFER REQUESTS

Pursuant to the San Francisco Housing Authority's Admission and Continued Occupancy Policy (ACOP), a SFHA tenant who is the victim of physical harassment and/or extreme or repeated verbal harassment, which cannot be remedied in other ways, such as by SFHA eviction of the people responsible for harassment or other action, may qualify for a transfer to another unit within the development or to another SFHA development, or other appropriate subsidized housing program.

When a tenant requests a transfer due to a civil rights violation, the Administrative Report Form must state that a transfer request based upon alleged civil rights violations has been initiated. Upon receipt, the Eligibility Department will date and time stamp the request and record its receipt in its management information system.

The Office of Fair Housing must complete its Administrative Inquiry within fourteen (14) days after having been notified of the alleged civil rights violation. At least every fourteen (14) days, the Director of Housing Management or his/her designee will review the status of each referral that is still outstanding. When the Office of Fair Housing determines that the circumstances warrant immediate action regarding a transfer, an emergency session of the Transfer Review Committee will be convened to conduct a review and issue a decision forthwith.

For all transfers alleging civil rights violations, Eligibility staff will provide the Transfer Review Committee with the recommendations of the Office of Fair Housing, as well as the recommendation of the property manager. This may be done by submitting a written report. The Transfer Review Committee will not act upon a transfer without having considered such recommendations.

All transfers remain governed by federal and state law and regulations, the SFHA Admissions and Continued Occupancy Policy and other applicable SFHA Policies and Procedures.

TRAINING AND IMPLEMENTATION

All SFHA tenants have been advised of the protection afforded to them by the Fair Housing Act. The resident Fair Housing Act letter also reminds tenants the SFHA will take appropriate action, including eviction against any person who harasses, threatens, or abuses any person, or commits an act of violence while on SFHA property. A copy of this letter is attached as Appendix 3. As stated in the letter all tenants are encouraged to report any incident involving a potential violation of their civil rights. New tenants will also be given a similar notice when they receive a housing unit.

An Executive Summary of the Civil Rights Policy and Guidelines and Procedures and transfer procedures will be given to all public housing applicants during Eligibility Department briefing sessions and screening interviews. These summaries shall also be made available at all SFHA management offices. Additionally, a copy of the Civil Rights Policy and the Manual of Guidelines and Procedures shall be available for review by all residents at SFHA management offices.

By the letter attached as Appendix 4, all current SFHA employees have been advised of the Authority's non-discrimination policies and their responsibilities under the Fair Housing Act. New employees will be similarly advised by a letter from the Executive Director at the commencement of employment. Employees in management positions and all persons working in development offices will receive a copy of the Civil Rights Policy and Manual of Guidelines and Procedures. All other employees will receive a summary of the policy. Each employee must sign an acknowledgment form within fourteen (14) days of receipt. The acknowledgment forms are attached as Appendix 5.

The SFHA, in cooperation with the San Francisco Police Department and community-based organizations, will initiate a Civil Rights Training Program. This comprehensive program will focus on preventing, identifying, investigating and eliminating civil rights violations with the public housing developments. All current and future SFHA employees will be required to participate in this program or other appropriate civil rights training programs as approved by the U.S. Department of Housing and Urban Development. Upon completion, each employee will be required to sign a statement acknowledging their participation in the program

IMPORTANT TELEPHONE NUMBERS

San Francisco Housing Authority
Office of Fair Housing
1815 Egbert Street, Suite 201
San Francisco, CA 94124
(415) 715-3190

Civil Rights Information Lines:	English:	715-3264
	Chinese:	715-3274
	Vietnamese:	715-3275
	Russian:	715-3277
	Spanish:	715-3276

San Francisco Housing Authority
Office of General Counsel
440 Turk Street
San Francisco, CA 94102
(415) 554-1334

San Francisco Police Department
24-Hour Emergency, Dial 9-1-1
Hate Crimes Unit
860 Bryant Street
San Francisco, CA 94107
(415) 553-1133

San Francisco Human Rights Commission
25 Van Ness Avenue, 8th Floor
San Francisco, CA 94102
(415) 252-2500

San Francisco District Attorney
850 Bryant Street
San Francisco, CA 94107
(415) 553-9530

U.S. Department of Housing and Urban Development
Fair Housing and Equal Opportunity
San Francisco Office
450 Golden Gate Avenue, 9th Floor
(415) 436-6568

State of California Department of Fair Employment and Housing
30 Van Ness Avenue, Suite 3000
(800) 884-1684

Hearing Impaired persons should call the
California Relay Service
(800) 735-2929
(this is a free service)

Appendix No. 1

ADMINSTRATIVE REPORT FORM
OFFICE OF FAIR HOUSING

Date of Report_____SFHA File No._____

Development_____

Name of Tenant_____

Address_____

San Francisco, California 941_____ Telephone_____ Race_____

Date of Incident_____

Location of Incident_____

Brief Description of Incident_____

Did the Incident Involve:

1) Any use of racially or ethnically insulting words? Yes___ No___
If yes, please describe:

2) The commission of physical acts of violence? Yes___ No___
If yes, please describe:

3) Intimidation, Coercion, Threats, Harassment? Yes___ No___
If yes, please describe:

4) Writing of Graffiti? Yes___ No___
If yes, please describe:

5) Breaking of windows? Yes___ No___
If yes, please describe:

6) Property damage or vandalism: Yes___ No___
If yes, please describe:

7) Have there been prior incidents involving tenant? Yes___ No___
If yes, list dates:

8) Has the tenant filed prior complaint reports? Yes___ No___
If yes, list dates:

9) Can the offender be identified? Yes___ No___
If yes: Name_____
Address_____
City, State, Zip Code_____
Motor Vehicle?_____

10) Is the offender? Resident___ Guest____Non-Resident___Unknown____

11) Did anyone witness the incident? Yes___ No___
If yes, list name, address of witnesses:

12) Were the San Francisco Police notified? Yes___ No___

13) San Francisco Police Report No.?_____

14) Has the tenant requested a transfer? Yes___ No___

15) Has a private conference been scheduled? Yes___ No___
If yes, date_____

Print your name and title_____

Sign your name_____

Appendix No. 2

San Francisco Housing Authority

Log, Alleged Civil Rights Violations

File No.	Date	Name, Address	Type of Incident	Dispo

Appendix No. 3

San Francisco Housing Authority
440 Turk Street
San Francisco, California 94102 (415) 554-1200

Dear SFHA Resident:

The Federal Fair Housing Act makes it unlawful to discriminate in housing against any person on the basis of race, color, sex, national origin, religion, familial status or handicap. Under the law, all persons have the right to live in any neighborhood and in any housing, free from racial or ethnic harassment.

The San Francisco Housing Authority takes seriously its responsibility under the Fair Housing Act and is strongly committed to protecting its residents from racial and ethnic assaults or harassment. We will not tolerate any threats, harassment, abuse or violence by any person while on SFHA property and we will investigate and take appropriate legal action against SFHA tenants who engage in such activities. If you believe you have been threatened, harassed, or abused, or that you are the victim of an act of violence, we urge you to report the incident to the San Francisco Police by dialing 9-1-1. If you believe that racial or ethnic considerations played a part in the incident, we urge you to also call the SFHA Office of Fair Housing at 715-3190.

When a complaint is received, we will investigate and we will notify the appropriate law enforcement agencies as necessary. The SFHA and the San Francisco Police Department will continue to work together to provide a safe environment and quality of life for all public housing residents. If our investigation uncovers evidence of a civil rights violation we will take appropriate measures to protect you, your family, and your guests. There should be no misunderstanding of this important point: *if you, or your guests, visitors, or anyone in your family, threatens, harasses or abuses any person, or commits an act of violence, while on SFHA property, you and your family will be subject to eviction.*

If you have any questions about the Fair Housing Act, or about your responsibilities as a SFHA tenant, you may contact the Office of Fair Housing at 715-3190. You may also call one of the agencies listed on the attached page if you have a question about the State or Federal civil rights laws. I encourage you to consider seriously the importance of this matter.

Sincerely yours,

Gregg Fortner
Executive Director

Appendix No. 4

San Francisco Housing Authority
440 Turk Street
San Francisco, California 94102 (415) 554-1200

TO: All Employees

FROM: Gregg Fortner, Executive Director

DATE:

SUBJECT: Compliance with the Fair Housing Act

All employees of the San Francisco Housing Authority are subject to the terms of the Fair Housing Act enacted by the Congress of the United States. The SFHA is mandated to enforce all federal and state legislation that prohibit discrimination. The scope of the Fair Housing Act is to provide, within constitutional limitations, for fair housing throughout the United States.

This Act provides that no person shall be subject to discrimination because of race, color, religion, sex, handicap, familial status, or national origin in the sale, rental or advertising of dwellings, or in the provision of brokerage services or in the availability of residential real estate-related transactions. There is a personal as well as an institutional liability for noncompliance with the Fair Housing Act and all other applicable Federal and State laws.

The SFHA has developed a Civil Rights Policy to reasonably insure the safety and protection of all tenants and visitors to SFHA developments. A copy (summary) of this Policy is attached. All employees are required to comply with the policies and procedures contained in the Policy. Non-compliance may subject an employee to disciplinary action.

The essential terms of the Fair Housing Act applicable to SFHA employees are as follows:

IT SHALL BE UNLAWFUL:

1. To refuse to rent after the making of a bona fide offer, or to refuse to negotiate for the rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, familial status, or national origin.
2. To discriminate against any person in the terms, conditions, or privileges of rental of a dwelling, or in the provision of services or facilities therein, because of race, color, religion, sex, familial status, or national origin.
3. To make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the rental of a dwelling

that indicates any preference, limitation, or discrimination based on race, color, religion, sex, handicap, familial status, or national origin, or any intention to make any such preference, limitation, or discrimination.

4. To represent to any person because of race, color, religion, sex, handicap, familial status, or national origin that any dwelling is not available for inspection, or rental when such dwelling is in fact so available.
5. For profit, to induce or attempt to induce any person to sell or rent any dwelling by representations regarding the entry or prospective entry into the neighborhood of a person or persons of a particular race, color, religion, sex, handicap, familial status, or national origin.
6. To discriminate in the rental, or to otherwise make unavailable or deny, a dwelling to any renter because of a handicap of that renter, a person residing in or intending to reside in that dwelling after it is so rented, or any person associated with that renter, and to refuse to grant reasonable accommodation to persons with handicaps.
7. To engage in any discriminatory housing practices prohibited by 42 USC Section 3601 et. seq.
8. To coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of fair housing rights, or for having aided or encouraged any other person in the exercise or enjoyment of fair housing rights.

The attached statement signifying you have received, read and understood this Memorandum and the (summary) Civil Rights Policy must be signed and returned to your supervisor no later than _____. Questions concerning the terms of the Fair Housing Act or its applicability to you should be directed to the Office of Fair Housing at 715-3190.

Attachment

Appendix No. 5

San Francisco Housing Authority
440 Turk Street
San Francisco, California 94102 (415) 554-1200

Date:_____

I_____, have received, read, and fully understand the attached letter from the Executive Director summarizing the San Francisco Housing Authority's policies of non-discrimination under the Fair Housing Act and Title VI of the Civil Rights Act of 1964.

I have also received a copy (summary) of the Civil Rights Policy and understand my responsibilities as an employee or agent of the San Francisco Housing Authority under the Policy and the Fair Housing Act.

_____
Print Your Name

_____
Signature

_____
Date

D

SAN FRANCISCO HOUSING AUTHORITY

440 TURK STREET • SAN FRANCISCO, CALIFORNIA 94102 • (415) 554-1200

DATE: September 3, 2002

TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

Sululagi Palega, Sr., President
Julie Lee, Vice President
Rev. Edgar Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

FROM: GREGG FORTNER, SECRETARY/EXECUTIVE DIRECTOR

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO INCREASE THE ENCUMBRANCE ON PURCHASE ORDER NO. 025225 BY $30,000.00 TO PAY ISAAC'S RELOCATION MOVING AND STORAGE FEES FOR THE REMAINDER OF THE 2001-2002 FISCAL YEAR

OVERVIEW

For the Housing Authority of the City and County of San Francisco ("the Authority") to operate, and administer its lease termination (eviction) activities, it is required by state law to provide moving and storage service for a minimum of fifteen (15) days when a resident is evicted (California Civil Code, section 1983(b)). In addition, the residential lease provides storage for no more than thirty (30) days (San Francisco Housing Authority Lease, page 3, at paragraph 16).

The Authority entered into Contract No. 00050 with Shack Moving, Inc., dba Isaac's Relocation for moving and storage services. This contract was procured in accordance with 24 CFR, section 85.36. The period of service on this contract was for September 1, 2000 to September 30, 2001. The contract provided that the Authority could extend the contract period for not more than one year after the expiration date, or until September 2002. The contract has been extended for one additional year via Purchase Order No. 025225. The expiration date of Purchase Order No. 025225 is September 30, 2002.

During the solicitation process in 2000, Isaac's Relocation and Saagan Moving and Storage were both awarded contracts in the amount of $10,000.00 each. Saagan, whose contract would have been extended until 2002, no longer provides moving and storage services to the Authority. Consequently, Isaac's Relocation is the only vendor that will provide moving and storage services to the Authority according to the Procurement Department.

We have determined that based on a projected average of seven (7) evictions per week, at an average cost of $1,989.00 per move it is necessary to increase Isaac's current contract by $30,000.00.

OBJECTIVE

The objective is to continue with the eviction process without interruption in service.

PRESENT SITUATION

Isaac's Relocation is currently the sole vendor providing moving and storage services for the Authority. The Authority has an active and vigorous lease termination program. Since January 2002, the Authority has filed 202 unlawful detainer complaints. To maintain our complaince with state law and the provisions of the Authority's lease, the authorization of this resolution is imperative.

ANTICIPATED OUTCOME

The anticipated outcome is to continue to effect eviction actions without an interruption in moving and storage services.

RESIDENT EMPLOYMENT

This contract was initially awarded in September 2000. The residential hiring policy for non-construction contracts exceeding $50,000.00 became effective in February 2001.

MBE/WBE STATUS

It is not applicable for this resolution.

WHO BENEFITS

The authority benefits from having moving and storage services because of the lack of space available to store the personal belongings as required by law.

RECOMMENDATION

It is recommended that the Board pass this resolution.

(Prepared by Victoria R. Adams through Carl L. Williams, Office of the General Counsel)

RESOLUTION NO.: _____
DATE ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO INCREASE THE ENCUMBRANCE ON PURCHASE ORDER NO. 025225 BY $30,000.00 TO PAY ISAAC'S RELOCATION MOVING AND STORAGE FEES FOR THE REMAINDER OF THE 2001-2002 FISCAL YEAR

WHEREAS, the Housing Authority of the City and County of San Francisco ("the Authority") must have moving and storage services in order to effect its weekly eviction actions; and

WHEREAS, the Authority entered into Contract No. 00050 with Shack Moving, Inc. dba Isaac's Relocation for moving and storage services for the period September 1, 2000 to September 30, 2001; and

WHEREAS, said contract allows the Authority, at its sole discretion to extend the period of performance for an additional year after the termination of said contract if the services are required beyond the termination of the contract; and

WHEREAS, the Authority extended said contract for the 2001-2002 fiscal year via Purchase Order No. 025225 in the amount of $25,000.00; and

WHEREAS, in order to continue to effect eviction actions for the remainder of the 2001-2002 fiscal year, the Authority must increase the encumbrance on Purchase Order No. 025525 to the amount of $55,000.00; and

WHEREAS, funding for said costs are available from the Authority's Low-Income Operating budget for the fiscal year 2001-2002;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is hereby authorized to increase the encumbrance on Purchase Order No. 025225 by $30,000.00 for a total amount of $55,000.00 in order to pay the Isaac's Relocation Services for the remainder of the 2001-2002 fiscal year.

2. This Resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

CARL L. WILLIAMS, General Counsel

9-6-02
DATE

REVIEWED BY:

GREGG FORTNER, Executive Director

9/6/02
DATE

(prepared by Victoria R. Adams for Carl L. Williams, OGC)

E

SAN FRANCISCO HOUSING AUTHORITY
440 Turk Street • San Francisco CA • 94112 • (415) 554-1200

DATE: September 12, 2002

TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

Sululagi Palega, Sr., President
Julie Lee, Vice President
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

FROM: Gregg Fortner, Executive Director

SUBJECT: **RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH HABITAT FOR HUMANITY SAN FRANCISCO IN ORDER TO CREATE AFFORDABLE HOME OWNERSHIP OPPORTUNITIES FOR LOW INCOME SAN FRANCISCO HOUSEHOLDS, INCLUDING PUBLIC HOUSING, SECTION 8 AND OTHER FAMILIES, ON SURPLUS PUBLIC PROPERTY**

OVERVIEW

This resolution authorizes the Executive Director to negotiate and enter into a Memorandum of Understanding (MOU) with Habitat for Humanity San Francisco (Habitat) to pursue homeownership opportunities on surplus public property. Other public agencies have identified surplus property that may be appropriate for homeownership housing that could be made available at favorable costs through the San Francisco Housing Authority (Authority) to Habitat. In the attached draft MOU, Habitat has committed to give preference to qualifying Authority public housing residents and Section 8 Voucher holders when selecting families for homeownership.

Any proposed acquisitions, ground lease agreements, dispositions or other property transactions related to this draft MOU and the development of homeownership housing would have to come back to the Commission for authorization. Any such transactions would also be at no cost to the Authority and preference would be give to Authority residents when selecting families for the future affordable home ownership opportunities on these properties.

OBJECTIVES

The objective of this resolution is to enable the Executive Director to negotiate and enter into an MOU with Habitat for Humanity and form a collaboration for development of affordable homeownership housing. Under this MOU, surplus property from other public agencies that Habitat brings to the table could be purchased through the Authority to Habitat who will then give preference to public housing residents and Section 8 Voucher holders when selecting the first time homebuyers.

Previous Experience: As a non-profit, Habitat collaborates with public agencies, private entities and other organizations to develop ownership housing in partnership with people in need. They have been building homes for ownership by low-income families in the city of San Francisco since 1996 and are planning to build another 50 homes in the next five years. In early 2002, Habitat was approved by the San Francisco Redevelopment Agency to build eight homeownership units on Mission Street, the biggest Habitat for Humanity project in the United States. Recently, after identifying some potential building opportunities on surplus public land owned by BART, Habitat approached the Authority, since such public land may be more easily and economically disposed of to a public agency, and then made available to Habitat. Habitat has also worked with the Authority to incorporate homeownership opportunities into the proposed Hunters View HOPE VI revitalization and identify other property where in-fill ownership housing would be appropriate.

Typical Transaction Process: Habitat has recently completed two projects with the San Francisco Redevelopment Agency (SFRA) and has four additional projects in development, including the eight units mentioned before. Typically, land is transferred by the government agency to Habitat through a Disposition & Development Agreement (DDA) which spells out the terms of agreement under which Habitat develops the site. Habitat is responsible for designing the homes and applying for the necessary permits. Conveyance of the land occurs once a permit for construction is issued. Assuming Habitat will be paying the appraised value of the BART land, Habitat anticipates that the land will be conveyed simultaneously with the purchase from BART through the Authority and onto Habitat. Habitat anticipates little risk and/or liabilities to be held by the Authority since the conveyance of the property would happen simultaneously with the purchase of the property from a public agency such as BART.

Homebuyer Outreach and Selection: During the design and permitting phase, Habitat engages in outreach to select the future homeowner families. A DDA agreement also includes detailed conditions under which land is conveyed to first-time buyers, how the families are selected, how Habitat will perform its community outreach, etc.

Under this draft MOU, in return for assistance with conveyance of the land, Habitat would give priority to qualifying Authority residents and Section 8 Voucher holders for one-half of the units to be constructed on surplus public property. The basic qualifications for households participating in all Habitat programs include a demonstrated need for affordable housing, a household income of not more than 50% of Area Median Income (AMI) of the City and County of San Francisco and a willingness to "partner" with Habitat by contributing "sweat equity" hours in helping to build the home in lieu of a down payment. These hours include assistance with construction, fundraising and participation in public events, such as groundbreakings and dedications. They would also

opportunity to purchase these homes at cost with no interest mortgages to insure that no more than one-third of the families' income is spent on housing.

Typical Application Process:

1. Interested families attend an orientation meeting and complete the initial application, which describes the homeownership opportunity, the application process, and the Habitat program.

2. Interested applicants attend a Habitat Application Workshop, where they complete an application for homeownership.

3. Habitat staff and Family Partnership Committee review applications to determine which applicants are eligible for further consideration. Families who do not qualify will be notified by letter.

4. The second phase is a home-visit and interview by two members of the Family Partnership Committee. The purpose of the home interview is to learn more about a family applicant's current living situation. After these visits, the Family Selection Committee will identify the families who best meet the four criteria (income-eligible, need for housing, ability to pay and willingness to "partner": to participate in sweat equity program). The Family Partnership Committee identify the families that have the greatest need for housing and most willingness to partner. Out of this group of families, Habitat will use the following order of preference, per this MOU, to select Habitat Partner Families:

Preference	Situation
1.	Currently living in San Francisco Housing Authority homes
2.	Currently Participating in the Section 8 Program
3.	*Other* Residents of San Francisco (min. 12-month residency required prior to offer to purchase)

5. If more than families qualify then homes being constructed, a lottery will be held among all eligible families. If a lottery is required, the drawing of names will be held in a well-advertised and public location.

Title Examples: Habitat for Humanity only builds houses for ownership. Therefore, each selected family would own its own home. Since Habitat will be paying the appraised value of the land for transactions with surplus public property, family ownership is expected to include the land. Habitat mortgages are generally 30 years. There are restrictions that prevent families from selling their homes at market rate for a certain number of years. Below is a Habitat's example of Equity sharing in such a property, where a Shared Appreciation Agreement is signed with the new owner, and

becomes part of the deed of trust. In addition, Habitat would have the right of first refusal for any sale.

In cases where the conveying agency provides the land at no cost to the family, it is possible to have a "silent second" mortgage for the value of the land (as does SFRA).

Equity Sharing Examples: Habitat establishes the sale price of its completed homes at a level less than or equal to its cost of construction, including land costs. This cost is often substantially below the fair market value (FMR) of the home. Partner families buy their homes from Habitat at this cost, with no cash down payment, and the price financed at 0%. Thus, all of their mortgage payments are direct reductions of loan principal – there is no interest paid by the family.

The family owns the home, and Habitat retains no ownership interest apart from its interest in the mortgage. The family is never required to resell its home; however, the family is free to sell its home at any time, to any person, at any price it chooses.

Habitat has adopted a policy designed to avoid any windfall gains to the family upon a resale. In part, this is recognition of the contributions made by Habitat, its volunteers, partners and donors to the total value of the home, and the importance of keeping those contributions dedicated to the elimination of poverty housing. Habitat thus seeks to "recycle" these contributions, rather than bestow a windfall gain on the partner family. By the same token, it is fair for the family, like any homeowner to share in the appreciation of the home during their stewardship, care, maintenance and improvement of the property.

The policy adopted by Habitat seeks to fairly balance these goals. Thus, upon resale, the fair market value of the home is allocated among the family and Habitat. After repayment of the mortgage balance, the family retains the amount of their principal reductions of the mortgage, plus one half of the difference between (a) the fair market value of the home at the time of resale and (b) the fair market value of the home at the time of purchase. Habitat retains (1) the full difference between the fair market value of the home at the time of purchase and the price at which the home was sold to the family, plus (2) one half of the difference between the fair market value of the home at the time of resale and the fair market value of the home at the time of purchase.

EXAMPLE: Habitat recently completed 3 homes on Innes Ave. in San Francisco. These single-family homes were sold to the families at $175,000, financed on a 30 year no interest mortgage with monthly payments of $486.00. The homes had a fair market value of $245,000 at the time they were sold to the families. If the family sells the home, and assuming a 3% annual appreciation in the home's value, the equity allocation formula works out as follows (see next page):

end of yr.	Fair Mkt. Value	Loan Balance	Family's Debt Reduction	Family's Share of Appreciation	Total To Family	To HHSF
1	252,350	169,167	5,833	3,675	9,508	73,675
5	284,022	145,833	29,167	19,511	48,678	89,511
10	329,260	116,667	58,333	42,130	100,463	112,130
15	381,702	87,500	87,500	68,351	155,851	138,351
20	442,497	58,333	116,667	98,749	215,415	168,749
25	512,976	29,167	145,833	133,988	279,821	203,988
30	594,679	-	175,000	174,840	349,840	244,840

Proposed Authority Commitment: Under the proposed MOU, the Authority would commit to work exclusively with Habitat on properties that Habitat brings to the table that are not part of the Authority portfolio. Other possible transactions with Authority owned property, such as in conjunction with the HOPE VI program, may also be considered for development of homeownership housing, again Board of Commissioner approval.

Commission Approvals: Any and all property transactions related to this MOU must have prior approval by the Authority Commission. Habitat has worked with the San Francisco Redevelopment Agency (SFRA) and is accustomed to approval processes involving commissions as well as the San Francisco Planning Department and the San Francisco Department of Building Inspection (DBI). In addition, Habitat engages in an extensive community outreach process to seek and include neighborhood input in any proposed development.

WHO BENEFITS

Public housing residents, Section 8 Voucher holders and other low-income San Francisco households will benefit from first time homeownership opportunities developed under this proposed MOU. Residents who are selected will purchase their own homes at no profit to Habitat with zero-interest financing. All mortgage payments will build equity for the homeowner families. No down payment will be required, only a minimum of 500 hours of "sweat equity". Moving Authority residents into Habitat homes will allow space for more families to move into Authority homes *in part* serving more low-income families of the San Francisco area and completing the Mission of the Authority.

BUDGET CONSIDERATION

NOT APPLICABLE. Authority funding is not necessary, since Habitat will provide full funding for the purchase of the properties and conveyance of the properties. Habitat has also committed to provide all the financing for the cost of construction and any other land costs.

RESIDENT HIRING

Habitat for Humanity has agreed to meet the Authority's Resident Hiring requirements under the proposed MOU.

MBE/WBE PARTICIPATION
Habitat for Humanity is not an MBE/WBE organization, but is a non-profit corporation.

RECOMMENDATION
Staff recommends adoption of the Resolution.

(Prepared by: Barbara T. Smith and Juan S. Monsanto)

RESOLUTION NO._____
DATE ADOPTED. _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH HABITAT FOR HUMANITY SAN FRANCISCO IN ORDER TO CREATE AFFORDABLE HOME OWNERSHIP OPPORTUNITIES FOR LOW INCOME SAN FRANCISCO HOUSEHOLDS, INCLUDING PUBLIC HOUSING, SECTION 8 AND OTHER FAMILIES, ON SURPLUS PUBLIC PROPERTY

WHEREAS, the draft Memorandum of Understanding (MOU) provides the basis for a partnership between the San Francisco Housing Authority (the Authority) and Habitat for Humanity San Francisco (Habitat) for the development of affordable homeownership housing on surplus public land; and

WHEREAS, Commission approval would be required prior to entering into any proposed acquisitions, dispositions, ground lease agreements or other property transactions related to the development of affordable homeownership housing under this MOU; and

WHEREAS, the Authority is a public housing authority formed pursuant to California Health and Safety Code 3280 et seq. and governed by certain regulations promulgated by the United States Department of Housing and Urban Development ("HUD") with a governing board that is appointed by the Mayor of the City and County of San Francisco (the "City"); and

WHEREAS, the Authority as a public agency may receive preference and favorable acquisition costs from other public agencies in obtaining surplus public property that is appropriate for affordable housing and transfer to Habitat for development of homeownership opportunities at no cost to the Authority; and,

WHEREAS, Habitat has identified some potential building opportunities on surplus land owned by other agencies that may be easily disposed of to a public agency, such as the Authority and then made available to Habitat at no cost to the Authority; and .

WHEREAS, Habitat will give preference to qualifying Authority public housing residents and Section 8 voucher holders when selecting families for the affordable home ownership opportunities on 50% of the properties developed under this MOU; and

WHEREAS, Habitat is a nonprofit community-based organization that has been building homes for ownership by low income families in the city of San Francisco since 1996 and will build another 50 homes in the next 5 years; and

WHEREAS, Habitat provides a solution to the need for decent, affordable ownership housing by forming dynamic collaborations with community members who come together to build housing in partnership with low income families who contribute "sweat equity" hours towards the

construction of their homes in lieu of down payments and become qualified based on sales prices at cost and interest free mortgages; and

WHEREAS, families are selected to partner with Habitat based on their need for affordable housing and incomes that may range between 35 to 60 percent of the median income, their ability to repay a no-interest mortgage loan, and their willingness to invest 200 to 500 hours of seat equity; and

WHEREAS, the Section 8 Home ownership program, Family Self-Sufficiency Program and other programs may be combined with these efforts; and,

WHEREAS, the provision of affordable home ownership for residents of the city of San Francisco is paramount.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is authorized to negotiate and enter into a Memorandum of Understanding with Habit for Humanity San Francisco.

2. Commission approval would be required prior to entering into any proposed acquisitions, dispositions, ground lease agreements or other property transactions related to the development of affordable homeownership housing under this MOU.

3. This Resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY: REVIEWED BY:

Carl L. Williams

CARL WILLIAMS, General Counsel

Date 9-5-02

GREGG FORTNER, Executive Director

Date 9/5/02

Exhibit E1

(DRAFT)
MEMORANDUM OF AGREEMENT
BETWEEN
SAN FRANCISCO HOUSING AUTHORITY
AND
HABITAT FOR HUMANITY SAN FRANCISCO

This Agreement of understanding by and between the San Francisco Housing Authority, hereinafter referred to as the AUTHORITY and the Habitat for Humanity San Francisco, hereinafter referred to as HABITAT is entered into the ____ of ____, two thousand two.

WITNESSETH THAT:

WHEREAS, Habitat is a nonprofit community-based organization that builds ownership housing in partnership with people in need, and has been building homes for ownership by low income families in the City and County of San Francisco since 1996 and will build another 50 homes in the next 5 years; and,

WHEREAS, Habitat provides solutions to the need for decent, affordable housing by forming dynamic collaborations with community members who come together to build housing in partnership with low income homebuyers who contribute "sweat equity" hours towards the construction of their homes in lieu of down payments and who are able to purchase these homes at cost with no interest mortgages to insure that no more than one-third of the families' income is spent on housing; and,

WHEREAS, families are selected to partner with Habitat based on their need for affordable housing, their ability to repay a no-interest mortgage loan, and their willingness to invest 200 to 500 hours of seat equity; and,

WHEREAS, such families' incomes may range from 35 to 60 percent of the median income; and,

WHEREAS, Habitat for Humanity has identified some potential building opportunities on surplus land owned by other agencies that may be easily disposed of to a public agency such as the SFHA, and then made available to Habitat at no cost to the SFHA; and,

WHEREAS, in return for considering transactions that provide property for Habitat for Humanity, Habitat to build homeownership opportunities, preference for the housing will be given to qualifying SFHA residents and Section 8 voucher holders when selecting families for the future affordable home ownership opportunities on 50% of these properties. This preference is defined below in the Application Process:

Application Process:

1. Interested families attend an orientation meeting and complete the initial application which describes the homeownership opportunity, the application process, and the Habitat program.

2. Interested applicants attend a Habitat Application Workshop, where they complete an application for homeownership.

3. Habitat staff and Family Partnership Committee review applications to determine which applicants are eligible for further consideration. Families who do not qualify will be notified by letter.

4. The second phase is a home-visit and interview by two members of the Family Partnership Committee. The purpose of the home interview is to learn more about a family applicant's current living situation. After these visits, the Family Selection Committee will identify the families who best meet the four criteria (income-eligible, need for housing, ability to pay and willingness to "partner": to participate in sweat equity program). The Family Partnership Committee identify the families that have the greatest need for housing and most willingness to partner. Out of this group of families, Habitat will use the following order of preference, per this MOU, to select Habitat Partner Families:

Preference	Situation
1.	Currently living in San Francisco Housing Authority homes
2.	Currently Participating in the Section 8 Program
3.	*Other* Residents of San Francisco (min. 12-month residency required prior to offer to purchase)

5. If more than families qualify then homes being constructed, a lottery will be held among all eligible families. If a lottery is required, the drawing of names will be held in a well-advertised and public location; and,

WHEREAS, the Authority will utilize all its resources to assist in these transactions to be accomplished in the most expeditious and affordable ways, including, but not limited to Section 8 Homeownership program, Family Self-Sufficiency Program, and others; and,

WHEREAS, the Authority has identified other under utilized land within the Authority property that could be utilized to build home ownership opportunities at Habitat's cost and Habitat in return for the land deed or ground lease, will offer to reciprocate by giving preference (defined above in the "Application Process") to SFHA residents and Section 8 voucher holders when

selecting families for the future affordable home ownership opportunities on these properties; and,

WHEREAS, the provision of affordable home ownership for residents of the city of San Francisco is paramount.

NOW, THEREFORE THE PARTIES DO MUTUALLY AGREE AS FOLLOWS:

1. The Authority was approached by Habitat for Humanity San Francisco to provide a solution to the need for decent, affordable housing in the city of San Francisco by forming a dynamic collaboration with the Authority to come together to build housing on land owned by the Authority in partnership with low income families who contribute "sweat equity" hours towards the construction of their homes in lieu of down payments, and partners families can purchase these homes at cost with no interest mortgages to insure that no more than one-third of the families' income is spent on housing; and,

2. Habitat will give preference (as defined above in "Application Process) to SFHA residents and Section 8 voucher holders when selecting families for the future affordable home ownership opportunities on these properties; and

3. Habitat has committed to provide all the financing for the cost of the construction, and a portion of the cost of the land, if necessary; and

4. The Authority has committed to work exclusively with Habitat on such properties that Habitat brings to the table that are not part of the Authority portfolio; and

5. This Memorandum of Agreement shall take effect immediately.

HABITAT FOR HUMANITY SF 78 Ocean Street San Francisco, CA 94112	**SAN FRANCISCO HOUSING AUTHORITY** 440 Turk Street San Francisco, CA 94102
_____ Executive Director	_____ Executive Director
_____ Date	_____ Date
_____ Legal Counsel	_____ Legal Counsel
_____ Date	_____ Date

F

SAN FRANCISCO HOUSING AUTHORITY

440 Turk Street • San Francisco CA • 94112 • (415) 554-1200

DATE: August 28, 2002

TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

Sululagi Palega, Sr., President
Julie Lee, Vice President
Neola Gans, Commissioner
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner

FROM: GREGG FORTNER, SECRETARY / EXECUTIVE DIRECTOR

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CDX BUILDERS, INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE KITCHEN RANGE HOOD AND CABINET WORK AT CAL 1-15, PING YUEN, FOR AN AMOUNT NOT-TO-EXCEED $338,000.00.

OVERVIEW

This resolution authorizes the Executive Director to execute a contract with CDX Builders, Inc., to provide construction services for the Kitchen Range Hood and Cabinet Work at Cal 1-15, Ping Yuen. Pre-approval of the bid package was obtained from Authority management prior to publicly issuing the bid packages. The Authority issued Solicitation No: 02-620-IFB-034 on July 29, 2002 and received sealed bids on August 20, 2002, which were publicly opened and read aloud.

The units are without kitchen ventilation and are in urgent need of kitchen range hoods to reduce cooking grease that can impair the health of residents. The installation of Kitchen range hoods are identified in the Physical Needs Assessment final report of 6/15/02.

PROCUREMENT

The procurement process for the action covered by this Resolution meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1, "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws.

The Authority advertised for bidders and outreached to potential bidders as follows:

Newspapers: The Authority publicly advertised its "Request for Bids" in the following newspapers:

- Daily Pacific Builder (trade publication) 06/17/02 through 06/28/02
- San Francisco Bay View (African American community) 10/29/01 through 11/12/01
- Sing Tao Daily (Asian American Community) 06/19/02 through 06/21/02

Additional Newspapers: The Authority e-mailed its "Request for Bids" to the San Francisco Board of Supervisors office who placed the advertisement in the following community newspapers:

- San Francisco Bay View (African American community),
- El Latino (Hispanic American community),
- El Reportero (Hispanic American community),
- Asian Week (Chinese American community),
- Chinese Times (Chinese American community),
- San Francisco Bay Times (Lesbian/Gay/Bi-sexual/Transgender community),
- San Francisco Spectrum (Lesbian/Gay/Bi-sexual/Transgender community).

Public Agency Websites: The Authority e-mailed its "Request for Bids" to the following agencies who placed the advertisement in their website bulletin boards:

- City and County of San Francisco (City Purchasing Department),
- SBA
- Sub-Net
- Bid-Net
- MBDA

Builders Exchanges: The Authority sent its "Request for Bids", Plans and Specifications to the following Builders Exchanges, where the documents are available to Contractors for review and bid preparation:

- Dodge Scan/Daily Pacific Builder,
- San Francisco Builders Exchange,
- Peninsula Builders Exchange,
- Builders Exchange of Alameda, County
- Santa Clara Builders Exchange,
- Contra Costa Builders Exchange

- BV2HP Builders Exchange
- MECA Builders Exchange
- Marin Builders Exchange
- Building Exchange of Stockton
- Construction Data Plan Room
- Construction Market Data
- Solano-Napa Builders Exchange
- Sierra Contractors exchange
- Building Trades Council
- Dodge Scan/Daily Pacific Builder
- S.F. Builders Exchange
- Peninsula Builders Exchange
- Builders Exchange of Alameda County
- Santa Clara Builders Exchange
- Contra Costa Builders Exchange

The Authority sent out Request for Bid notices to 48 MBE/WBE contractors listed on the Human Resources Commission list as well as to 26 contractors identified from the Blue Book.

The Authority issued Solicitation No. 02-620-IFB-034 to eight (8) potential bidders. Pre-bid site inspections were held on August 8, 2002 and August 14 and eight (8) contractors participated. The Authority's Consultants and Authority staff were present at the pre-bid site inspection.

The Authority received four (4) sealed responsible and responsive bids for the work, which were publicly opened and read aloud on August 20, 2002. The submitted bids are as follows:

#	BIDDER	BID	MBE/ WBE	25% RES. HIRE	SUBCONTRACTOR	MBE/ WBE
1	CDX Builders, Inc.	$338,000	Yes	Yes	1. Mei Design	Yes
					2. Lea Electric	Yes
					3. N B Drywall	Yes
					4. Yum's Mechanical	Yes
					Total % MBE/WBE	39.53%

2	Amana Egineering Construction	$395,000	Yes	Yes	1. CLD Const., Inc 2. Eastside Elect.. Co. Total % MBE/WBE	No No 0%
3	A Ruiz Construction	$412,243	Yes	Yes	1. Bass Electric 2. Elijah Painting Total % MBE/WBE	Yes Yes 26.9%
4	Transworld	$439,920	Yes	Yes	1. Jack Chen Const. Total % MBE/WBE	Yes 84%

Per HUD-5369 Instructions to Bidders, the contract award is based on the lowest, responsive and responsible bid. Therefore, no panel was required to evaluate qualifications of various bidders for selection. Based on the above bids CDX Builders, Inc. is the lowest, responsive and responsible bidder. The low bid is less than the budgeted amount, and is 16% lower than the consultant's cost estimate.

OBJECTIVES

The objectives of the Resolution is to authorize the Executive Director to enter into a contract with the lowest responsive, responsible bidder to furnish all labor, materials, equipment and services necessary for the completion of all work specified in the Plans and Specifications, which includes but is not limited to the following:

- Provide a wood wall cabinet above each kitchen range. Hardware and finish to match other cabinet work.
- Provide a kitchen range hood on the bottom of the wood cabinet.
- Provide a wiremold electric run, in length required, from electric source to connect to kitchen range hood. The existing source outlet or light shall remain usuable.
- Cut and patch as necessary to match existing work related to the Kitchen Range Hood and Cabinet work only.
- Perform Unit Price work included in the contract only if approved by the Owner's Representative.
- Coordinate and monitor entrance into the units.

PRESENT SITUATION

The 234 units are without kitchen ventilation. Cooking tends to deposit grease on walls and windows. The Physical Needs Assessment final report of 6/15/02 proposes the installation of range hoods. The need for kitchen range hoods was identified for more than 10 years and included in the 1991 Comprehensive Plan for Physical Improvements.

ANTICIPATED OUTCOMES
The work of this contract will result in the installation of kitchen range hoods, as described in HUD 7485.2, at 234 units. Health problems associated with grease laden air will be reduced and cleaner, more well ventilated units are expected.

WHO BENEFITS
The residents of 234 units will benefit by having improved ventilation with kitchen range hoods. The Authority will benefit by maintaining cleaner and more sanitary units. Residents will also benefit by the employment opportunities made available through the minimum twenty-five percent resident hiring requirements contained in the contract.

BUDGET CONSIDERATIONS
The Kitchen Range Hood and Cabinet work at Cal 1-15, Ping Yuen work will be funded by the Year 2002 CFP (712).

RESIDENT EMPLOYMENT
CDX Builders, Inc. is committed to providing at least 25% percent resident hiring on this job at a minimum. The Authority Modernization staff estimates that the project will take 1,875 hours to complete. Resident employees will perform 470 hours or more of the work.

MBE/WBE STATUS
This Contractor is a Union Contractor, and will subcontract to one (1) MBE/WBE subcontractor that will perform 39.53% of the total Contract amount.

RECOMMENDATION
CDX Builders, Inc. has submitted a reasonable bid amount and funding is available through the Authority's Year 2002 CFP (712). I recommend adoption of the Resolution.

(Prepared by Barbara Smith, Bob Dahlstrom, and David Leash)

RESOLUTION NO._____
DATE ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CDX BUILDERS, INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE KITCHEN RANGE HOOD AND CABINET WORK AT CAL 1-15, PING YUEN, FOR AN AMOUNT NOT-TO-EXCEED $338,000.00.

WHEREAS, the San Francisco Housing Authority (Authority) received four (4) acceptable bids for the Kitchen Range Hood and Cabinet work at CAL 1-15, Ping Yuen as follows:

Bidder	Bid Amount
1. CDX Builders, Inc.	$338,000.00
2. Amana Engineering & Construction, Inc.	$395,000.00
3. A. Ruiz Construction Co. & Assoc., Inc.	$412,243.00
4. Transworld Construction, Inc.	$439,000.00

WHEREAS, CDX Builders, Inc. has submitted a bid of $338,000.00 to provide construction services for the Kitchen Range Hood and Cabinet work at CAL 1-15, Ping Yuen; and

WHEREAS, the Department of Housing and Urban Development (HUD) has funded the Authority under the 2002 CFP (712) program to provide these construction services at CAL 1-15, Ping Yuen; and

WHEREAS, the procurement process for this contract meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1 "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws; and

WHEREAS, the Authority has evaluated the bid and determined that CDX Builders, Inc.is the lowest responsive and responsible bidder; and

WHEREAS, all additional relevant documents submitted by the bidder have been reviewed and found to be in order:

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is authorized to execute a contract with CDX Builders, Inc.for Construction Services for the Kitchen Range Hood and Cabinet at CAL 1-15, Ping Yuen, in an amount not-to-exceed $338,000.00

2. This Resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

Carl L. Williams

CARL L. WILLIAMS, General Counsel

Date: 5-5-02

REVIEWED BY:

GREGG FORTNER
Executive Director

Date: 9/5/02

G

SAN FRANCISCO HOUSING AUTHORITY

440 TURK STREET • SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-1200

DATE: September 12, 2002

TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSION

Sululagi Palega, Sr., President
Julie Lee, Vice President
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

FROM: Gregg Fortner, Secretary/Executive Director

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A ONE-YEAR AGREEMENT WITH MORRIS, DAVIS & CHAN, LLP TO PROVIDE ANNUAL AUDITING SERVICES FOR THE SAN FRANCISCO HOUSING AUTHORITY IN AN AMOUNT NOT TO EXCEED $163,500.00

The attached Resolution requests authorization to enter into a contract amendment with Morris, Davis, & Chan, LLP to provide the annual auditing services for the San Francisco Housing Authority (SFHA) for the fiscal year ending September 30, 2002 in an amount not to exceed $163,500.00.

OVERVIEW/BACKGROUND

The SFHA is required by its Annual Contribution Contract with the U.S. Department of Housing and Urban Development (HUD) to have an annual independent audit performed. This audit is to be performed in accordance with generally accepted auditing standards, the standards established for financial audits in the U.S. General Accounting Office's Government Auditing Standards (1994), the Single Audit Act Amendment of 1996, and the provisions of the Final U.S. Office of Management and Budget Circular A-133 "Audits of State, Local Governments and Non-Profit Organizations" of 1997.

SCOPE OF WORK

The independent public auditor (IPA) will test, review and report on the SFHA's internal controls and compliance with applicable laws and regulations on all major programs, and will audit the SFHA's accounts, records and general purpose financial statements in accordance with standards applicable to financial audits contained in Government Auditing Standards applicable to State and Local Governments for the twelve (12) month ending September 30, 2002. This audit shall be sufficient in scope to enable the IPA to express an opinion on the SFHA's financial statements including the Footnotes or Supplemental Schedule of the audited financial statements; reports on internal controls and compliance.

The independent audit report shall be completed by June 30, 2003 for the twelve-month period ended September 30, 2002. Upon completion of the audit, the financial statements and information will be sent electronically to HUD Real Estate Assessment Center (REAC) and actual copies of the audit report will be mailed to HUD Troubled Agency Recovery Center (TARC) and other regulatory agencies.

SOLICITATION/NEGOTIATION

The SFHA entered into a two-year Agreement (Contract No. 00051) with Morris, Davis & Chan LLP (MDC) on September 18, 2000 for annual auditing services covering the twelve-month periods ended September 30, 2000 and September 30, 2001 for an amount not to exceed $322,000.00. MDC furnished the SFHA a contract amendment proposal to provide annual auditing services for the twelve-month period ending September 30, 2002 at a not to exceed amount of $163,500.00. This fee proposal represents the same compensation for the 2001 audit services.

MDC has performed the SFHA's annual independent audits for the fiscal years ended September 30, 2000 and September 30, 2001, and is fully familiar with the SFHA's accounts, records, financial statements, operations, and staff. This audit engagement will result in greater efficiencies and less start-up time than for a new independent public auditing firm. Moreover, the Fiscal Year 2002 audit will require, for the first time, compliance with Government Accounting Standards Board (GASB) Statement No. 34 – *Basic Financial Statements and Management's Discussion and Analysis for State and Local Government* reporting.

PROCUREMENT

The procurement process for those actions covered by this Resolution meet the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1, "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the SFHA Procurement Policy Manual, and State of California and local laws.

ANTICIPATED OUTCOME

The IPA will test and report on the SFHA's internal controls and its compliance with applicable regulations on all major programs, and will audit the SFHA's accounts, records and general purpose financial statements in conformity with generally accepted auditing standards for the twelve (12) month ending September 30, 2002.

The independent audit report which is due for submission on June 30, 2003, will be completed by May 31, 2003 and will be sent electronically to REAC. Copies of the audit report will also be distributed to all appropriate regulatory agencies

WHO BENEFITS

SFHA will benefit from the independent testing and examination of our books of accounts, internal control and program compliance. In addition, the annual audit is a requirement of HUD and serves as the check and balance of the Finance Department and other organization of SFHA.

FUNDS AVAILABLE

Funds to cover the cost of the annual auditing services are available in the SFHA's program budgets: Low Rent Operating Program and Section 8 Program. All independent audit costs are one hundred percent (100%) reimbursable by HUD.

RECOMMENDATION

I recommend that the attached resolution be approved, authorizing the execution of a one-year contract amendment to the existing Agreement with Morris, Davis & Chan, LLP to provide the annual auditing services for the San Francisco Housing Authority in the amount not to exceed $163,500.00.

RESOLUTION NO._____
ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A ONE-YEAR AGREEMENT WITH MORRIS, DAVIS & CHAN, LLP TO PROVIDE ANNUAL AUDITING SERVICES FOR THE SAN FRANCISCO HOUSING AUTHORITY IN AN AMOUNT NOT TO EXCEED $163,500.00

WHEREAS, the Authority is required by the Annual Contribution Contract with the U. S. Department of Housing and Urban Development (HUD) to have performed yearly independent audits in accordance with the generally accepted auditing standards; and

WHEREAS, on September 18, 2000 the Authority signed a two-year Agreement for Annual Auditing Services with Morris, Davis & Chan, LLP for the twelve (12) month period ending September 30, 2000 and twelve (12) month period ending September 30, 2001, and said agreement provides for an option to extend the services for a third year audit period; and

WHEREAS, the Authority desires to amend the existing Agreement to cover Annual Auditing Services for the twelve months ending September 30, 2002; and

WHEREAS, Morris, Davis & Chan, LLP responded to the Authority's request for a contract amendment and cost proposal; and

WHEREAS, Morris, Davis & Chan, LLP satisfied the Authority's requirements with a completion date of May 31, 2003 and a not to exceed cost of $163,500.00; and

WHERAS, HUD Troubled Agency Recovery Center (TARC) approved the contract extension agreement between San Francisco Housing Authority and Morris, Davis & Chan, LLP in their letter dated August 21, 2002; and

WHEREAS, the procurement process for those actions covered by this Resolution meet the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1, "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual, and State of California and local laws; and

WHEREAS, funds to cover the cost of annual auditing service are available in the Authority's program budgets—Low Income Operating Program and Section 8 Program, and are fully reimbursable by HUD; and

Resolution
Re: Morris, Davis & Chan, LLP

NOW THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is authorized to enter into a one-year Agreement with Morris, Davis, & Chan, LLP to provide annual auditing services for the San Francisco Housing Authority in an amount not to exceed $163,500.00.

2. This Resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

Carl Williams, General Counsel

Date: 9-5-02

Gregg Fortner, Executive Director

Date: 9/5/02

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Exhibit G-1

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Troubled Agency Recovery Center, Memphis Office
One Memphis Place
200 Jefferson Avenue, Suite 300
Memphis, Tennessee 38103-2335

RECEIVED
AUG 27 2002
FINANCE DEPARTMENT

August 21, 2002

Mr. Gregg Fortner
Executive Director, Housing Authority of
the City of San Francisco
440 Turk Street
San Francisco, CA 94102

Dear Mr. Fortner:

SUBJECT: Contract Award for Repair of Canopies and Modification to The Current Audit Contract

This is in response to Mr. Rene Latosa's letter dated August 9, 2002, requesting review of solicitation documentation and an amendment to extend the Audit Services Contract between the San Francisco Housing Authority (SFHA) and Morris, Davis and Chan LLP. Our comments concerning the request are as follows:

Western Roofing Services Contract For Canopy Repairs

The documentation provided appears to comply with the requirements of Title 24 Code of Federal Regulations (CFR) 85.36 and the San Francisco Housing Authority's (SFHA) procurement policy. Providing the SFHA has sufficient unencumbered funds, you are authorized to proceed in awarding the contract to Western Roofing Services in the amount of $284,750.00.

Morris, Davis and Chan LLP Contract Extension Amendment

The documentation provided appears to comply with the requirements of Title 24 Code of Federal Regulations (CFR) 85.36 and the San Francisco Housing Authority's (SFHA) procurement policy. Based on item 1 of the agreement the SFHA has opted to extend the contract time for a period not to exceed one year. The fees for this service are not to exceed $163,500.00. Prior to the new contract end date, September 30, 2003, the SFHA must solicit for new Annual auditing Services.

If you have any questions regarding this matter, please contact Amoes H. Sheppard, Team Leader, at (501) 324-5316.

Sincerely,

Amoes H. Sheppard
Team Leader
Troubled Agency Recovery Center

HOUSING AUTHORITY
OF THE
CITY AND COUNTY OF SAN FRANCISCO

Minutes of Regular Meeting
Thursday, September 12, 2002

440 Turk Street
San Francisco, California

The Housing Authority of the City and County of San Francisco met in a regularly scheduled meeting at 440 Turk Street, San Francisco, California on Thursday, September 12, 2002, at 4:00 p.m.

Vice President Julie Lee called the meeting to order at 4:12 p.m.

DOCUMENTS DEPT.

SEP 25 2002

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1. ROLL CALL

Roll call found the following members to be:

PRESENT: *Julie Lee, Vice President*
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner
Rev. Edgar E. Boyd, Commissioner (arrived at 3:52 p.m.)
Neola Gans, Commissioner

ABSENT (Excused): *Sululagi Palega, Sr., President*

A quorum was present.

ALSO PRESENT: *Mr. Gregg Fortner, Executive Director/Secretary*
Mr. Carl L. Williams, General Counsel

SEATING OF NEW COMMISSIONER: NEOLA GANS

Vice President Julie Lee welcomed Commissioner Gans and asked if she had any words to express. Commissioner Gans stated that she considered it an honor to be appointed a Commissioner and was very happy to be there.

2. APPROVAL OF AGENDA

Commissioner Boyd moved to approve the agenda and Commissioner Smith seconded the motion. The motion was carried by a unanimous vote.

3. APPROVAL OF MINUTES

Commissioner Lee stated that there were two sets of minutes to be approved, August 8th and August 22nd. General Counsel Carl Williams informed the Commission that only the

Commissioners present on the date of that meeting are eligible to vote for or against the approval of those minutes.

Commissioner Boyd moved to approve the minutes of the August 8, 2002 Regular Commission Meeting. Commissioner Brown seconded the motion. The motion to approve the minutes of the August 8, 2002 Regular Commission meeting was carried by a unanimous vote.

Commissioner Smith moved to approve the minutes of the August 22, 2002 Regular Commission Meeting. Commissioner Boyd seconded the motion. The motion to approve the minutes of the August 22, 2002 Regular Commission meeting was carried by a unanimous vote.

4. GENERAL COMMUNICATIONS

Executive Director Gregg Fortner informed the Commission that the report regarding the number of vacant units and the status report of for the sexual harassment awareness training would be given during the Report of Secretary agenda item. The supporting materials regarding the request items were included in the Commissioners' folders.

5. REPORT OF SECRETARY

Mr. Fortner introduced Naja Boyd, Acting Deputy Executive Director to report on the number of vacant units as requested by Commissioner Brown. Ms. Boyd reported that there are currently 167 units unoccupied. Since April, maintenance has reported an average of 25 vacant units per week. These units have become unoccupied for reasons such as evictions, abandonment, Section 8 priority transfers, and relocations back to original Hope VI sites. Of the 167 units, 25 are studios, 17 have one bedroom, 117 have two bedrooms, 11 have three bedrooms, and five have four bedrooms. Since September 6, 2002, eight of these units have been filled due to the relocation efforts from the North Beach property. On Thursday, September 19, 2002, the 200 oldest applicants on the waiting list are being asked to come in and supply any outstanding information required to complete their files. They will also be asked to update their preferential living location. Criminal and sex offender background checks will be performed. Ms. Boyd stated that this situation occurred due to shifting the focus of SFHA resources to Section 8 in April of this year. Staff has now been reassigned to eliminate the possibility of this happening again.

In reply to Commissioner Boyd's question, Ms. Boyd stated that 167 units are ready for reoccupation. She added that the list has been reprioritized to have the units that have been vacant the longest to be reoccupied first. Commissioner Boyd then asked on average, how many units become available per month, and how soon are these units usually reoccupied. Executive Director Gregg Fortner interjected that last year, 500 total units became vacant throughout the year, and in 2000, 600 units became vacant. This year will probably be more due to the relocation of tenants back to Bernal and Plaza East.

leaving their currently occupied units, unoccupied. Essentially, the numbers vary. Commissioner Boyd further inquired if Thursday's effort would have a minimal impact on the waiting list. Ms. Boyd, and Mr. Fortner replied yes and added that 17,000 people are still on the waiting list.

Commissioner Smith asked what is done when a unit is presented to a prospective tenant and they refuse it. Ms. Boyd responded that they get one refusal and will receive an alternative unit. If the prospective tenant does not accept the second unit offered, their name goes to the bottom of the waiting list.

Commissioner Boyd asked how much of the renovation to vacate units is being done by SFHA employee maintenance. Ms. Boyd replied that with the exception of fire damaged or modernization units, the SFHA vacate team performs the necessary work. Commissioner Boyd stated that the reason he posed the question was to entertain the thought that it might be more economically feasible for the SFHA to hire a private company to renovate the vacant units to produce a higher turn over rate. Ms. Boyd commented that the Director of Maintenance had also brought this idea to her attention.

Commissioner Brown asked which developments have the most vacancies. Ms. Boyd replied that most of the vacancies are in Alice Griffith, Sunnydale, Hunter's View, and Potrero Hill. A breakdown of the number of vacant units per site had not been done. Commissioner Brown requested an update of the unoccupied units within two months.

Commissioner Clark asked what leads to an eviction from criminal convictions. Ms. Boyd answered that "cause" cases determined from Police reports and incident reports usually result in evictions. In response to Commissioner Clark's question, Ms. Boyd stated that the criminal reports are given to the Legal Department before a criminal conviction. Ms. Boyd confirmed Commissioner Clark's comment that being named in a Police report does not constitute an eviction. She further reported that the Legal staff as well as the Director of Property of Housing Management assesses each case to determine whether there is "cause." Mr. Fortner added that the General Counsel would give a report on lease enforcement.

Vice President Lee commended staff, in particular Ms. Boyd, for a job well done on the report as well as only having seven units left to vacate at the North Beach Development.

Executive Director Gregg Fortner then introduced Mike Roetzer, Administrator for Management of Programs, to give a brief summary of the Sexual Harassment training. Mr. Roetzer explained that a policy has been in place since 1987 and was updated in 2000. The first training was held in 1988 and the second refresher course was in 2000. All of the supervisors will go through the mandatory Prevention of Sexual Harassment Training within the next two weeks. An annual reminder, detailing the policy of the Department of Fair Employment and Housing is sent out to all employees with their paychecks. Mr. Roetzer reported that a very aggressive policy is in place to deal with

allegations of sexual harassment. An immediate investigation is begun and the parties involved are separated. Every effort is made to resolve the issue.

Executive Director Gregg Fortner commented on the news article given to him by Commissioner Brown. The headline read "Public Housing Vote Drive Criticized." Mr. Fortner stated that the Washington D.C. HUD office has contacted him two weeks ago concerning this matter. In that conversation, Mr. Fortner encouraged HUD to examine the procurement process, the market research and the contract. Nothing was found to be in error of the action.

Commissioner Clark asked if the basketball tournament cash prizes were from the monies approved by the Commission at the August 22, 2002 Commission meeting. Mr. Fortner replied that they weren't. The funding came from non-federal, miscellaneous monies. In response to Commissioner Clark's next question, Mr. Fortner explained that HUD's inquiry was based on some misinformation in which all of their points were proven to be moot. Commissioner Clark requested that Mr. Fortner keep the Commission informed as to any further inquiries regarding the A. Philip Randolph Institute (APRI).

Commissioner Boyd commented on the importance of Public Housing residents registering to vote. He stated that local and statewide initiatives on the November ballot could have a very positive effect on public housing residents, if passed. Commissioner Boyd strongly agreed and believed in what APRI is doing and is on the offensive to those who try to impede their progress.

Vice President Lee added that the voter registration effort is a positive cause and the unfriendly media should not discourage the Commission.

6. COMMITTEE REPORTS

Diversity Committee
Nothing to report.

Finance Committee
Nothing to report.

Personnel Committee
Nothing to report.

7. REPORT OF COUNSEL

General Counsel Carl Williams reminded the Commission that the Annual Meeting of the Commission is to take place on September 26, 2002. At this meeting, the Commission will elect the President and Vice President of the Commission for the next year.

Mr. Williams continued in his report and asked the Public Safety Committee if September 23, 2002, 2:00 p.m. at the Plaza East Community Room was a convenient time and location to hold a joint meeting with the SFPD Commission. A maximum of three Commissioners can participate in the committee. A Commissioner may attend the meeting whether or not he or she is on the committee. Mr. Williams stated that he would be in communication with the chair of this committee, President Palega, to determine any items he might have for the agenda. Commissioners Perry and Chin are the Commissioners of the SFPD Commission who are apart of these meetings.

Lastly, Mr. Williams updated the Commission, with respect to the Sunnydale development, specifically dealing with the "home invasion" incident. Since, January, Mr. Williams reported that eleven police reports have been submitted to the SFHA regarding incidents in the Sunnydale development. Three of the eleven provided a basis to take lease termination action. Police and the property management reports are analyzed by the Office of General Counsel (Legal Dept.). The legal departments role is to determine whether the facts alleged in the Police report provide sufficient facts that some provision of the lease has been violated. If it is so determined, the legal department makes a recommendation to proceed with a 3-day notice, followed by a Complaint being filed with the court. Mr. Williams informed the Commission that the Office of General Counsel would be producing a report detailing the process of an eviction. Examples of supporting documentation would be included under the attorney-client privilege. Mr. Williams indicated that even though the media reports of high crime in the Sunnydale development, the most the SFHA can do is enforce the lease. And if a resident has been determined to be in violation of that lease, the eviction process is commenced.

With respect to the "home invasion" incident, two police reports had provided sufficient evidence to bring lease termination proceedings against two residents that were involved. The Legal Department is expecting to receive one more police report regarding this incident. The service of process has been completed to the resident at 1768 Sunnydale Avenue, but difficulties were encountered in the service of process to the resident at 78 Blythdale. A court order was obtained on September 11, 2002 to process by mail and posting. An Answer from the resident at 1768 Sunnydale has been filed. The Legal Department will now proceed with its discovery. The resident demanded a jury trial and it is now being set for trial.

Commissioner Boyd asked if these police reports are being used to determine the deployment of excess security resources to the areas that need it most. Mr. Fortner responded that because of the increased violence in Sunnydale, security resources were taken from Holly Courts, Alemany, and Potrero to give extra service to Sunnydale over the holiday weekends. In response to Commissioner Boyd's comments, Mr. Williams informed him that there is nothing automatic about evicting a tenant. And, even if there is evidence to support an eviction, the SFHA has the ultimate discretion as to whether the eviction proceedings take place.

Commissioner Brown asked what are the steps to an eviction. Mr. Williams responded that first the information received is analyzed for cause, after the papers are filed with the court, and a judgment is received, the information is evaluated for new findings that will avoid the eviction. Commissioner Brown then inquired about developments other than Sunnydale, and the statistics on their crime reports leading to evictions. Mr. Williams stated that this information would be provided in the report produced for the Commission.

8. TENANT REPRESENTATIVE REPORT

City Wide Council - Senior/Disabled
William Vitale, President of the City Wide Council – Senior/Disabled reported that with the assistance of Beverli Marshall and Herb Lum, the City Wide Council Senior/Disabled will be bringing over 200 people to Bofante Gardens. He also stated that they are working hard to assist the 22 sites in becoming compliant with HUD regulations to have five elected officers.

Commissioner Smith thanked the City Wide Council for their participation in the reception for Chief Sanders. She added that it was a great affair. Ms. Smith also asked that a moment of silence be acknowledged for Joyce Dalson's mother. Commissioner Boyd suggested that the City Wide Council get involved with APRI to assist in the voter registration drive.

Commissioner Smith stated that the Western Edition Town Hall Breast Cancer screening would be held on September 19, 2002 at Rosa Parks from 2:00 p.m. – 6:00 p.m.

Public Housing Tenants Association (PHTA)
Mr. Fortner stated that Tessy Esther, President of Hunter's View Tenant Association was asked to make a report at this meeting, but she was unable to attend.

9. PUBLIC COMMENTS ON AGENDA ITEMS: LIMITED TO 2 MINUTES

NOTE: *The public will have the opportunity to comment on agenda items prior to any action taken by the Commission pursuant to the San Francisco Housing Authority Rules Governing Public Testimony adopted 2/23/95 as Resolution No. 4423. Prior to adjournment, after Item No. 11, the public will have the opportunity to comment on items not on the agenda.*

Victoria Tedder of Independent Living – Ms Tedder works with disabled people from all backgrounds including people who live in public housing and people who want to live in public housing. Ms. Tedder's comments were about item 10C on the agenda. She stated that language pertaining to providing reasonable accommodation for disabled peoples was omitted from the Fair Housing Manual of Procedures and Guidelines.

Nancy Brunn of the Arc San Francisco – This organization works with adults who have developmental disabilities. She recommended that the SFHA does not adopt any Civil Rights Policy that does not include policy on reasonable accommodations for people with disabilities.

10. NEW BUSINESS:

RESOLUTION No. 5047

(A) RESOLUTION APPROVING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE SAN FRANCISCO HOUSING AUTHORITY AND THE LABORERS' INTERNATIONAL UNION LOCAL 261

Paul Howard, Labor Relations Manager provided the details of this resolution. The local 261 represents the maintenance employees of the SFHA. The last collective bargaining agreement with the Laborers Union expired September 30, 2002. The negotiations started in October of 2001 and were completed in August of 2002. The economic provisions of the Memorandum of Understanding comply with the Federal regulations as set forth by HUD and comply with the practice of paying wages consistent with the City and County of San Francisco. A comprehensive Management Rights clause, and performance accountability provisions are included in this MOU. The labor agreement is renewable in four years. The SFHA saved $38,000 because the Labor Union agreed to postpone the cost of living increase to January 1, 2003 versus October 1, 2002. The employees have gained participation in a new pension fund as well.

Commissioner Brown asked if the employees would be paid retroactive pay. Mr. Howard responded that the wage adjustments are effective as of January 1, 2002. $154,000 is the amount of retroactive pay from January 1, 2002 through September 30, 2002. Commissioner Brown also asked how many laborers are on staff. Mr. Howard replied that there are 64 budgeted positions and 62 are currently filled. In response to Commissioner Clark's question, Mr. Howard stated that the 5.2% wage increase was effective January 1, 2002 and another 5.2% wage increase would be made on October 1, 2002. Future increases are contingent upon negotiations with the City and County of San Francisco.

Commissioner Clark also asked who was responsible for enforcing the performance requirements. Mr. Howard stated that the first line supervisors, the foremen, were responsible. Commissioner Clark stated that his concern was that the first line supervisors were covered by the same contract. Mr. Howard answered that indeed they are, but there is a second level of review administered by an individual who is not apart of that bargaining unit.

Vice President Lee indicated that due to the nature of the work she expects that the 30% resident hires will be increased.

Commissioner Boyd moved to approve Resolution No. 5047 and Commissioner Brown seconded the motion. Resolution No. 5047 was approved by a unanimous vote.

RESOLUTION No. 5048

(B) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACTS WITH LIN + MEINHARDT AND WITH GREG ROJA & ASSOCIATES TO PROVIDE ARCHITECT/ ENGINEER CONSULTANT SERVICES ON AN AS-NEEDED, TASK ASSIGNMENT BASIS FOR ALL DEVELOPMENTS IN AN AMOUNT NOT-TO-EXCEED $165,000 FOR EACH CONTRACT OVER A TWO-YEAR PERIOD

Steve Haines, Construction Services Manager for the Housing and Modernization Department presented this resolution. Mr. Haines reported that this resolution provides for 2 years of architect and engineering consulting to replace the previous completed contracts. This contract is on an as-needed basis so that the work outlined in the Capitol Fund project can be assigned task by task to the consultants for an assessment of the needs, designing the solutions, and prepare the construction documents for public bidding. They will also provide the technical expertise to oversee the contractor's construction and performance under the contract. In the SFHA's procurement process, over 130 requests for qualifications were sent out and 13 written responses were received. The top five were interviewed to obtain additional information concerning their proposals. Upon completing this process, Lin + Meinhardt with Greg Roja were determined as the top ranking firms. Both are minority owned enterprises committed to exceeding the 25% resident hiring requirement for the most extensive period possible. HUD has reviewed and approved the entire procurement process.

Commissioner Boyd asked what percentage of the work to be performed is for new work versus work on existing facilities. Mr. Fortner answered that all of the work is for existing facilities. Commissioner Clark asked how many contracts not to exceed $165,000 are anticipated. Mr. Haines replied that for the next two years, this contract would be sufficient. Commissioner Brown asked if the two companies would be performing different tasks. Mr. Haines responded that the two companies have varying areas of expertise and tasks would be assigned accordingly. Commissioner Smith asked if either of these firms had been utilized by the SFHA in the past. Mr. Haines replied no. In reference to Commissioner Brown's question, Mr. Haines explained that the reason each task does not go through a separate procurement and brought before the Commission for approval is that it would extremely slow down the process of having the work performed for the benefit of the residents. Mr. Fortner added that there are time provisions on expending monies in the Capitol Fund.

Commissioner Boyd moved to approve Resolution No. 5048. Commissioner Smith seconded the motion. The motion to approve Resolution No. 5048 was carried by a unanimous vote.

RESOLUTION No. 5049

(C) RESOLUTION AFFIRMING CIVIL RIGHTS POLICY OF THE SAN FRANCISCO HOUSING AUTHORITY

Buddy Choy Deputy Administrator of Fair Housing presented this resolution. Mr. Choy stated that the adoption of this resolution would ensure that the SFHA is in compliance with all Civil Rights laws. The policy was developed with input from governmental and community based organizations, the Regional Office of Fair Housing Equal Opportunity, the Mayor's Office of Criminal Justice, the Mayor's Office of Housing, the District Attorney's Office, and representatives of the SFPD Hate Crimes Unit. The primary function of the Office of Fair Housing will be the implementation of the Civil Rights Policy. The Manual of Procedures and Guidelines will dictate how the Office of Fair Housing will operate. If adopted the Civil Rights Policy will formally become a part of the Admissions and Continued Occupancy Policy.

Commissioner Smith moved to approve Resolution No. 5049 and Commissioner Clark seconded the motion. Resolution No. 5049 was approved by a unanimous vote.

RESOLUTION No. 5050

(D) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO INCREASE THE ENCUMBRANCE ON PURCHASE ORDER NO. 025225 BY $30,000.00 TO PAY ISAAC'S RELOCATION MOVING AND STORAGE FEES FOR THE REMAINDER OF THE 2001-2002 FISCAL YEAR

Victoria Adams Risk Manager of the Office of General Counsel presented the specifics of this resolution. Ms. Adams reported that state law requires the SFHA to provide moving service for a minimum of 15 days and storage is to be provided for a minimum of 30 days when a resident is evicted. This contract was first procured for one year, in an amount of $55,000 beginning on September 1, 2000 and ending on September 30, 2001 with an option to extend services for one year. The contract was extended for one additional year through Purchase Order No. 025225 due to expire on September 30, 2002. The average cost of an eviction is $1,989 at a rate of seven evictions per week. Ms. Adams request was to increase the current extended contract by $30,000 to cover the anticipated costs until the end of the fiscal year.

Commissioner Clark questioned why there was a 60% increase in the cost when there are only three weeks left until the end of the fiscal year. Ms. Adams explained that Saagan Moving and Storage, one of the original companies included in the procurement, has since gone out of business. This has increased the workload for the remaining company, Isaac's Relocation. In addition, there has been an increase in the number of evictions and rates of the Isaac's Relocation. About 200 evictions have been administered over the last year.

Commissioner Lee expressed concerns that this resolution is being presented after the work had already been performed and costs incurred. Commissioner Brown echoed these concerns. General Counsel Carl Williams stated that no invoices had been received, but these are the anticipated costs. Commissioner Boyd stated the more evictions there are means the less people of color living in San Francisco and that we need to come together as a community to curb this trend.

Commissioner George Brown moved to approve Resolution No. 5050. Commissioner Clark seconded the motion. Resolution No. 5050 was approved by a majority vote. Commissioner Boyd opposed.

(E) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH HABITAT FOR HUMANITY SAN FRANCISCO IN ORDER TO CREATE AFFORDABLE HOME OWNERSHIP OPPORTUNITIES FOR LOW INCOME SAN FRANCISCO HOUSEHOLDS, INCLUDING PUBLIC HOUSING, SECTION 8 AND OTHER FAMILIES, ON SURPLUS PUBLIC PROPERTY

Barbara Smith Administrator of Housing Development and Modernization divulged the details of this resolution. Ms. Smith explained that the primary goal of Habitat for Humanity is to enable low-income residents of San Francisco to become homeowners. Ms. Smith stated that this is an ideal collaboration where Public Housing and Section 8 residents can become homeowners, and more self-sufficient. The property would be simultaneously transferred from the other public agency to the ownership of Habitat for Humanity. No SFHA funds would be involved and there would be no risk to the SFHA. Ms. Smith then presented Jim Ladder of Habitat for Humanity. He presented a brief overview of how a family qualifies to partake in Habitat for Humanity, what the families have to contribute in order to buy the homes, and how potential low income home buyers benefit from their service. Fifty percent of the land acquired through this process would be allocated to Public Housing and Section 8 residents.

Commissioner Boyd asked how a resident of Public Housing or Section 8 would be selected to participate in becoming a potential homeowner. Ms. Smith responded that the opportunity would be open to all residents of all developments. The Section 8 Self Sufficiency program would also be a resource to obtain interested residents. Mr. Fortner added that this program would provide home ownership opportunities for individuals who would otherwise not have it in San Francisco. It would also free more Public Housing units, as more families become homeowners.

Commissioner Smith asked what types of homes are going to be built. Ms. Smith responded that Habitat for Humanity builds duplexes, homes, and are the first in the country to build an eight unit, five-story condominium. Mr. Ladder commented that construction is based on the land, and zoning. Construction is initiated after the families

are chosen so that the design plans can adequately suit the needs of that family. Two of the eleven residents that Habitat has provided homes for, were previous Public Housing residents.

Commissioner Clark asked why Habitat for Humanity doesn't directly deal with BART to obtain the property. Ms. Smith answered that land prices are more favorable for another public agency. Commissioner Clark asked Ms. Smith if the Housing Authority would simply be used to obtain the land at a lower cost to Habitat for Humanity. Ms. Smith affirmed Commissioner Clark's inquiry and added that the land title would be simultaneously transferred to Habitat in one escrow. The SFHA benefits by having Public Housing and Section 8 residents as targeted participants in the program. Commissioner Clark then asked if this land was for sale. Ms. Smith responded that yes, it was and there are quite a few parcels for sale around the city.

Commissioner Julie Lee expressed concerns about unforeseen liability issues in the future. For example, if 20 years from now, the land is determined to be toxic, the SFHA could possibly find itself in the middle of a lawsuit. She requested the Executive Director and General Counsel to ensure that the language of any contract between the SFHA and Habitat for Humanity clearly indicates that the Housing Authority is not liable for any mishaps and are not financially responsible for any transactions. Commissioner Clark requested that the SFHA obtain legal advice to determine any possible liability issues. He agreed with Mr. Fortner's suggestion to re-word the resolution to omit the words "enter into" in order to seek the advice of legal counsel and make an informed decision.

Commissioner Boyd moved to amend the resolution to include language permitting the Executive Director to perform an investigation, with real estate lawyers that are under contract with the SFHA that will detail any liability issues the Housing Authority may face. A Memorandum of Understanding would be drafted and presented to the Commission. Commissioner Clark took issue with this motion because the contract that the SFHA entered into with Goldfarb and Lipman did not specify that it would cover the research for entering into transactions with Habitat for Humanity. Commissioner Boyd then stated that if the SFHA is to consider entering into contract with Habitat then the legal advice received should come from a firm that is familiar with the SFHA. As far as Habitat for Humanity or the SFHA being economically responsible for the legal advice, that is something that must also be considered. Mr. Fortner suggested that the Redevelopment Agency be considered a resource to obtain the information necessary to move forward. Commissioner Clark agreed with that idea. Commissioner Boyd withdrew his motion.

Commissioner Lee asked if Habitat had entered into a contract with a straw person before. Mr. Ladder said that they had not.

Commissioner Brown moved to table the resolution until the necessary legal advice was obtained. Commissioner Clark seconded the motion. Resolution E was tabled by a unanimous vote.

RESOLUTION No. 5051

(F) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CDX BUILDERS, INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE KITCHEN RANGE HOOD AND CABINET WORK AT CAL 1-15, PING YUEN, FOR AN AMOUNT NOT-TO-EXCEED $338,000.00

Barbara Smith Administrator of Housing Development and Modernization reported that CDX Builders were the low bidders for the Range Hoods at Ping Yuen. At the residents long standing request the range hoods were implemented into the budget and the specifications that comply with HUD and the City Code requirements have been developed. Requests for bidders were extensively advertised through newspapers, the city's website, public agency websites, the builder's exchanges, in addition to 48 MBE/WBE contractors and 26 other contractors. Eight contractors participated in the site inspections on August 14th and 8th. Four bids were received of which CDX was the low bidder. The firm is committed to exceeding the 25% resident hiring goal.

Commissioner Lee asked how many range hoods are involved in this contract. Ms. Smith responded that 234 units would receive new range hood and some would also include cabinets. Commissioner Lee asked Ms. Smith to explain why the range hoods cost over $1,000 a piece. Ms. Smith responded that standard labor charges are over twice as much as the parts so the costs incurred are accurately reflected in the resolution. She later added that wiring is also included in the scope of service. Commissioner Lee mentioned that she had spoken with Florence Chang, the property manager at Ping Yuen, and she had quoted a price of $80,000. Commissioner Lee asked for clarification in the huge discrepancy of the cost. Mr. Fortner answered that Ms. Chang's estimate did not include the full scope of work to be performed.

Commissioner Brown asked what type of range hoods would be installed and how complicated is the project. Ms. Smith stated that HUD does not allow for ducted range hoods in modernization projects due to fire hazards and the city only allows them in existing buildings without extraordinary work being performed. HUD specifications were readily available.

In response to Commissioner Boyd's inquiry, Ms. Smith stated that MBE/WBE subcontractors would perform 39% of the work, and the contractor would do the other 61%.

Ms. Smith affirmed Commissioner Clark's question regarding whether the contract was being funded through the capitol improvement fund. Commissioner Clark noted that the residents of Ping Yuen have been waiting for these range hoods for 10 years and requested clarification as to how capitol fund spending is prioritized. Mr. Fortner responded that the capitol fund is allocated each year through a resident review process,

and by determining which anticipated projects pose the most serious consequences if they go unaddressed.

Commissioner Lee asked if permits were required for the wiring and how long is the warranty on the wiring. Ms. Smith replied that permits are required. David Leash, Senior Project Manager stated that there is a manufacturers warranty on all the parts, but further investigation is required to determine the length of time. The labor is under warranty for two years by the contractor.

Commissioner Clark moved to approve Resolution No. 5051. Commissioner Smith seconded the motion. The motion was approved by a unanimous vote.

RESOLUTION No. 5052

(G) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A ONE-YEAR AGREEMENT WITH MORRIS, DAVIS & CHAN, LLP TO PROVIDE ANNUAL AUDITING SERVICES FOR THE SAN FRANCISCO HOUSING AUTHORITY IN AN AMOUNT NOT TO EXCEED $163,500.00

David Esparza, Chief Financial Advisor for the Housing Authority reported that this resolution is a one-year extension of an already existing contract. The contract provisions allow for this extension based on Commission approval. Mr. Esparza stated that this firm's performance in dealing with the SFHA has been exemplary and he requested approval of this resolution.

Commissioner Clark asked the specifics of what Morris, Davis & Chan audit. Mr. Esparza replied that this firm audits all of the finances of the SFHA. In response to Commissioner Clark's comments, Mr. Esparza added that this firm helps the Housing Authority a great deal, especially in assuring the SFHA's financial integrity.

Commissioner Brown asked why is the request for a one-year extension instead of just ending the contract and beginning a new one. Mr. Esparza answered that there are significant start up costs associated with a new firm just beginning with the SFHA and this firm has worked very well with meeting the requirements of HUD and the SFHA. Mr. Esparza further stated that this firm has maintained the same cost for the last two years. Due to inflation and the learning curve that a new firm would have to overcome, undoubtedly a higher cost to the Agency would be incurred.

Commissioner Boyd moved to approve Resolution No. 5052. Commissioner Clark seconded the motion. Resolution number 5052 was approved by a unanimous vote.

12. PUBLIC COMMENTS ON ITEMS NOT ON AGENDA

William Tupuola was not present to address the Commission.

Earl Hampton Vice President of the Hunter's View Tenants Association – Mr. Hampton reported that a called meeting of the residents to discuss leadership and community issues was cancelled without his knowledge. He passed out a petition signed by the residents in support of holding a meeting. He also thanked Naja Boyd for the recreational support received for the Junior Giants league.

Christine Mauia of Soul'd Out Productions – Ms. Mauia stated that their idea for block party had been dismissed by the SFHA. She continued in her report that some of the SFHA staff just wants to confine the residents and just leave them there. Classes on domestic violence and drugs given by the SFHA are ineffective because the young people "don't care how much we know until they know how much we care." The block party to be held in Sunnydale is in response to the rapes, shooting and violence in the area. Soul'd Out Productions will be sleeping in Sunnydale to prove to the residents that it is safe to come out of their homes and show the community that they care. She challenged the SFHA staff and Commissioners to covey their concern.

Chris Faataui of Hunter's View – Mr. Faataui commented that he is in support of a joint meeting of the residents and SFHA staff to resolve the issues that his community faces. Mr. Faataui stated that the SFHA staff is reluctant to come to Hunter's View because he believes staff thinks the Samoans and African Americans will be shooting at each other. This is a negative statement and Mr. Faataui requested that the staff give the residents a chance to come together as a community and welcomed Commissioner Boyd to come and meet with the residents.

Jackie Sachs of 2698 California Street and the City Wide Council – Senior/Disabled – Ms. Sachs stated that her request for ADA improvements to the entrance of her building have gone unrecognized. She asked that the SFHA staff contact the Mayor's office to determine when the allocated funds to perform these improvements will be received.

Annette Baker was not present to address the Commission.

Dedria Smits was not present to address the Commission.

Maria Wilson, President of the Sunnydale Tenants Association – Ms. Wilson reported that the SFHA is withholding the Tenant Associations funding of $18,000 to sponsor the Stop the Violence Block Party to be held on September 14th and 15th, 2002. Ms. Wilson stated that Herb Lum informed her that the Resident's Fund has $18,025 in it and must be used by the end of the fiscal year. This money is necessary to sponsor the Stop the Violence Block Party in Sunnydale and has no support from the SFHA staff to retrieve it. Ms. Wilson questioned where the money is going if it's not going to the Tenant Association. The point of the Stop the Violence Block Party is to curb the recent violence occurring in the Sunnydale development.

Roanae Kent was not present to address the Commission.

13. COMMISSIONER'S COMMENT AND REPORT

There were no comments or reports from the Commission.

14. CLOSED SESSION

Vice President Lee announced that the Commission had concluded its public agenda items and would go into closed session. A closed session was scheduled with the Executive Director and General Counsel under Government Code 54957 regarding the Employment Agreement between the Executive Director and the San Francisco Housing Authority; also discussion with the Executive Director and General Counsel regarding *Scott v. SFHA* and *USA v. SFHA*. The commission went into closed session at 7:11 p.m.

15. RECONVENING OF THE COMMISSION MEETING

The Commission reconvened at 8:37 p.m. The Commission met in closed session to discuss the items noticed on the agenda. The Commissioners present in the closed session were Vice President Lee and Commissioners Smith, Brown, Clark, Gans and Boyd. The Commission unanimously voted to approve the Employment Agreement between the Executive Director and the San Francisco Housing Authority based on the terms and conditions negotiated with the Personnel Committee. At the next regularly scheduled Commission meeting a resolution affirming the approval of the Executive Director's contract will be noticed. With respect to the Scott v. SFHA and USA v. SFHA the Commission did not reach an agreement to settle and requested more time to review and study provided materials. A special meeting will be called for September 16th or 17th, 2002 to address Scott v. SFHA and USA v. SFHA.

16. ADJOURNMENT

There being no further business to come before the Commission, the regularly scheduled meeting of September 12, 2002 was adjourned at 8:37 p.m.

Gregg Fortner, Secretary/Executive Director

Julie Lee, Vice President

SAN FRANCISCO HOUSING AUTHORITY
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NOTICE

A SPECIAL MEETING OF THE SAN FRANCISCO HOUSING AUTHORITY COMMISSION WILL BE HELD ON **TUESDAY, SEPTEMBER 17, 2002 AT 11:00 A.M.** AT 440 TURK STREET, SAN FRANCISCO, CALIFORNIA, 94102

AGENDA
September 17, 2002

1. ROLL CALL

Sululagi Palega, Sr., President
Julie Lee, Vice President
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

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2. APPROVAL OF AGENDA

3. CLOSED SESSION

A closed session is scheduled with the General Counsel and outside counsel under Government Code 54957 regarding discussion of *Scott v. SFHA* and *USA v. SFHA*

4. RECONVENING OF COMMISSION MEETING

5. PUBLIC COMMENTS ON AGENDA ITEMS: LIMITED TO 2 MINUTES

NOTE: *The public will have the opportunity to comment on agenda items prior to any action taken by the Commission pursuant to the San Francisco Housing Authority Rules Governing Public Testimony adopted 2/23/95 as Resolution No. 4423. Prior to adjournment, after Item No. 11, the public will have the opportunity to comment on items not on the agenda.*

6. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

7. ADJOURNMENT

GREGG FORTNER, Secretary/Executive Director

HOUSING AUTHORITY
OF THE
CITY AND COUNTY OF SAN FRANCISCO

Minutes of Special Meeting
Tuesday, September 17, 2002

440 Turk Street
San Francisco, California

The Housing Authority of the City and County of San Francisco met in a special meeting at 440 Turk Street, San Francisco, California on Tuesday, September 17, 2002, at 11:00 a.m.

President Sululagi Palega called the meeting to order at 11:12 a.m.

1. ROLL CALL

Roll call found the following members to be:

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PRESENT: *Sululagi Palega, Sr., President*
Julie Lee, Vice President
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner
Rev. Edgar E. Boyd, Commissioner

ABSENT (Excused): *Neola Gans, Commissioner*

A quorum was present.

ALSO PRESENT: *Mr. Gregg Fortner, Executive Director/Secretary*
Mr. Carl L. Williams, General Counsel

1. APPROVAL OF AGENDA

Commissioner Boyd moved to approve the agenda and Commissioner Clark seconded the motion. The motion was carried by a unanimous vote.

2. CLOSED SESSION

President Palega announced that public comments would be heard after the closed session and the Commission would now go into closed session. A closed session was scheduled with the Executive Director and General Counsel regarding *Scott v. SFHA* and *USA v. SFHA*. The commission went into closed session at 11:14 a.m.

3. RECONVENING OF THE COMMISSION MEETING

The Commission reconvened at 2:12 p.m. The Commission met in closed session to discuss the items noticed on the agenda. The Commissioners present in the closed

session were President Palega and Commissioners Smith, Brown, Clark, and Boyd. An emergency excused Vice President Lee during the closed session.

In accordance with the comments of General Counsel Carl Williams, President Palega stated that the Commission would vote by roll call to approve or disapprove the staff recommendation regarding the settlement proposed by the U.S. Department of Justice.

Commissioner Clark interjected that none of the documentation received prior to the closed session, nor during the closed session, indicated what the staff's recommendation was. After the Commission's vote, the staff stated their recommendation.

President Palega added that after the vote, Executive Director Gregg Fortner stated that the Commission's decision was against the staff's recommendation.

The vote to approve or disapprove the staff recommendation regarding the settlement proposed by the U.S. Department of Justice is as follows:

Approve:
Commissioner Boyd

Disapprove:
Commissioner Clark
Commissioner Brown
President Palega

Abstained:
Commissioner Smith

By a majority vote, the Commission disapproved the staff recommendation regarding the settlement proposed by the U.S. Department of Justice.

PUBLIC COMMENTS ON AGENDA ITEMS: LIMITED TO 2 MINUTES

NOTE: *The public will have the opportunity to comment on agenda items prior to any action taken by the Commission pursuant to the San Francisco Housing Authority Rules Governing Public Testimony adopted 2/23/95 as Resolution No. 4423. Prior to adjournment, after Item No. 11, the public will have the opportunity to comment on items not on the agenda.*

There were no public comments on the agenda items.

4. PUBLIC COMMENTS ON ITEMS NOT ON AGENDA

There were no public comments on non-agenda items.

5. ADJOURNMENT

There being no further business to come before the Commission, the special meeting of September 17, 2002 was adjourned at 2:16 p.m.

Gregg Fortner, Secretary/Executive Director

Sululagi Palega, President

SAN FRANCISCO HOUSING AUTHORITY

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NOTICE

ANNUAL MEETING

THE ANNUAL MEETING OF THE
SAN FRANCISCO HOUSING AUTHORITY COMMISSION WILL
BE HELD ON THURSDAY, SEPTEMBER 26, 2002 AT 4:00 P.M.
AT 440 TURK STREET, SAN FRANCISCO, CALIFORNIA, 94102

AGENDA
September 26, 2002

1. ROLL CALL

   Sululagi Palega, Sr., President
   Julie Lee, Vice President
   Andrew Clark, Commissioner
   Neola Gans, Commissioner
   George Brown, Commissioner
   Betty Smith, Commissioner
   Rev. Edgar E. Boyd, Commissioner

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2. APPROVAL OF AGENDA

3. ELECTION OF OFFICERS

   - PRESIDENT
   - VICE PRESIDENT

4. ADJOURNMENT

The regularly scheduled meeting of the Commission will follow the adjournment of the Annual Meeting

GREGG FORTNER, SECRETARY/ EXECUTIVE DIRECTOR

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NOTICE

THE REGULARLY SCHEDULED MEETING OF THE
SAN FRANCISCO HOUSING AUTHORITY COMMISSION
WILL BE HELD ON THURSDAY, SEPTEMBER 26, 2002 AT 4:00 P.M.
AT 440 TURK STREET, SAN FRANCISCO, CALIFORNIA, 94102

AGENDA
September 26, 2002

1. ROLL CALL

   Sululagi Palega, Sr., President
   Julie Lee, Vice President
   Rev. Edgar E. Boyd, Commissioner
   George R. Brown, Commissioner
   Betty J. Smith, Commissioner
   Andrew J. Clark, Commissioner
   Neola Gans, Commissioner

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2. APPROVAL OF AGENDA

3. APPROVAL OF MINUTES

   - September 12, 2002 Regular Commission Meeting
   - September 17, 2002 Special Commission Meeting

4. GENERAL COMMUNICATIONS

5. REPORT OF SECRETARY

6. COMMITTEE REPORTS

   Diversity Committee - Nothing to Report
   Finance Committee – Nothing to Report
   Personnel Committee – Nothing to Report

7. REPORT OF GENERAL COUNSEL

8. TENANT REPRESENTATIVE REPORT:

City Wide Council - Senior/Disabled
Public Housing Tenants Association (PHTA)

9. PUBLIC COMMENTS ON AGENDA ITEMS: LIMITED TO 2 MINUTES

NOTE: *The public will have the opportunity to comment on agenda items prior to any action taken by the Commission pursuant to the San Francisco Housing Authority Rules Governing Public Testimony adopted 2/23/95 as Resolution No. 4423. Prior to adjournment, after Item No. 11, the public will have the opportunity to comment on items not on the agenda.*

10. NEW BUSINESS

(A) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH SCHRAM CONSTRUCTION INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE BOILERS AND ASSOCIATED EQUIPMENT REPLACEMENT AT CAL 1-18(1), JFK TOWERS, AND CAL 1-20, 3850 18TH STREET FOR AN AMOUNT NOT-TO-EXCEED $477,800.00

(B) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH BPS REPROGRAPHIC SERVICES, AND ELITE REPROGRAPHICS TO PROVIDE REPROGRAPHIC SERVICES IN THE NOT-TO-EXCEED AMOUNT OF $50,000.00 EACH FOR A TOTAL OF $100,000.00

(C) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE FUNDING TO ESTABLISH BLANKET PURCHASE ORDERS FOR FLEET VEHICLE REPAIRS, MAINTENANCE, BODY REPAIR, TIRE SERVICE AND TOWING WITH VARIOUS LOCAL SMALL BUSINESS AUTOMOTIVE REPAIR SHOPS IN AN AMOUNT NOT TO EXCEED $170,000 DURING THE FISCAL YEAR 2002-2003

(D) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CDX BUILDERS, INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE SECTION 504 ADA COMPLIANCE UPGRADE WORK AT COMMUNITY BUILDINGS AT CAL 1-1, HOLLY COURTS AND CAL 1-2, POTRERO TERRACE FOR AN AMOUNT NOT-TO-EXCEED $288,000.00

(E) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACT WITH CM PROS TO PROVIDE CONSTRUCTION COST ESTIMATING SERVICES ON AN AS-NEEDED, TASK ASSIGNMENT BASIS FOR ALL DEVELOPMENTS IN AN AMOUNT NOT-TO-EXCEED $120,000 OVER A TWO-YEAR PERIOD

(F) RESOLUTION AFFIRMING THAT THE SAN FRANCISCO HOUSING AUTHORITY EXECUTE AN EMPLOYMENT AGREEMENT WITH EXECUTIVE DIRECTOR GREGG FORTNER; AND RESOLUTION AUTHORIZING THE EXECUTION OF THE EMPLOYMENT AGREEMENT BETWEEN THE SAN FRANCISCO HOUSING AUTHORITY AND EXECUTIVE DIRECTOR GREGG FORTNER. **[ACTION ON THIS ITEM WILL TAKE PLACE WHEN THE COMMISSION RECONVENES IN PUBLIC SESSION FOLLOWING THE CLOSED SESSION]**

11. PUBLIC COMMENTS ON ITEMS NOT ON AGENDA

12. COMMISSIONER'S COMMENT AND REPORT

13. CLOSED SESSION

A closed session is scheduled with the Executive Director, General Counsel, and outside counsel regarding the following matters:

(1) Employment Agreement between the Executive Director Gregg Fortner and San Francisco Housing Authority (Government Code }54597);
(2) *United States of America v. San Francisco Housing Authority* [United States District Court, Northern District, NO. C 02-4540; (Government Code §54956.9)]
(3) Anticipated Litigation: Disclosure of case name would jeopardize existing settlement negotiations (Government Code §54956.9)

14. RECONVENING OF COMMISSION MEETING

15. ADJOURNMENT

GREGG FORTNER, Secretary/Executive Director

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DATE: SEPTEMBER 16, 2002

TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

Sululagi Palega, Sr., President
Julie Lee, Vice President
Neola Gans, Commissioner
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner

FROM: GREGG FORTNER, SECRETARY/EXECUTIVE DIRECTOR

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH SCHRAM CONSTRUCTION INC. TO PROVIDE CONSTRUCTION SERVICES FOR BOILERS AND ASSOCIATED EQUIPMENT REPLACEMENT AT CAL 1-18(1), JFK TOWERS, AND CAL 1-20, 3850 18TH STREET, FOR AN AMOUNT NOT-TO-EXCEED $477,800.00.

OVERVIEW

This resolution authorizes the Executive Director to execute a contract with Schram Construction Inc. to provide construction services for the Boiler and Associated Equipment Replacement for CAL 1-18(1), JFK Towers, and CAL 1-20, 3850 18th Street. Pre-approval of the bid package was obtained from Authority management prior to publicly issuing the bid packages. The Authority issued Solicitation No: 02-600-IFB-018 on July 31, 2002.

PROCUREMENT

The procurement process for the action covered by this Resolution meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1, "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws.

The Authority advertised for bidders and outreached to potential bidders as follows:

Past Bidders List, Contractors Blue Book & Yellow Pages: The Authority e-mailed, faxed or mailed its "Request for Bids" to 45 individual contractors listed in the Authority's Past Bidders List, the Contractors Blue Book and telephone directory yellow pages.

HRC: The Authority e-mailed, faxed or mailed its "Request for Bids" to two MBE/WBE contractors listed by the San Francisco Human Rights Commission.

Newspapers: The Authority publicly advertised its "Request for Bids" in the following newspapers:

- Daily Pacific Builder (trade publication) 8/26/02 through 9/6/02
- San Francisco Bay View (African American community) 8/28/02 through 9/04/02
- Sing Tao Daily (Asian American Community) 8/28/02 through 8/30/02

Additional Newspapers: The Authority e-mailed its "Request for Bids" to the San Francisco Board of Supervisors office who placed the advertisement in the following community newspapers:

- San Francisco Bay View (African American community),
- El Latino (Hispanic American community),
- El Reportero (Hispanic American community),
- Asian Week (Chinese American community),
- Chinese Times (Chinese American community),
- San Francisco Bay Times (Lesbian/Gay/Bi-sexual/Transgender community),
- San Francisco Spectrum (Lesbian/Gay/Bi-sexual/Transgender community).

Public Agency Websites: The Authority e-mailed its "Request for Bids" to the following agencies who placed the advertisement in their website bulletin boards:

- City and County of San Francisco (City Purchasing Department),
- SBA
- Sub-Net
- Bid-Net
- MBDA

Builders Exchanges: The Authority sent its "Request for Bids", Plans and Specifications to the following Builders Exchanges, where the documents are available to Contractors for review and bid preparation:

- Dodge Scan/Daily Pacific Builder,
- San Francisco Builders Exchange,
- Peninsula Builders Exchange,
- Builders Exchange of Alameda, County
- Santa Clara Builders Exchange,
- Contra Costa Builders Exchange
- BV2HP Builders Exchange
- MECA Builders Exchange

- Marin Builders Exchange
- Building Exchange of Stockton
- Construction Data Plan Room
- Solano-Napa Builders Exchange
- Building Trades Council

The Authority issued Solicitation No. 02-600-IFB-018 to seven (7) potential bidders. At the pre-bid site inspection on August 27,2002, ten (10) contractors, the Authority's Consultants and Authority staff were present.

The Authority received two (2) sealed responsible and responsive bids for the work, which were publicly opened and read aloud on November 29, 2001. The submitted bids are as follows:

#	BIDDER	BID	MBE / WBE	25% RES. HIRE	SUBCONTRACTOR	MBE / WBE	SOURCE OF BID AWARENESS
1	Schram Construction Inc.	$477,800	No	Yes	1. Marinco Aire	No	City Purchasing Website
2	Sonomarin Inc.	$514,818	No	Yes	1. Livco Heating (12%) 2. Temper Insulation (1%)	Yes Yes	S.F.H.A. Direct Solicitation

Per HUD-5369 Instructions to Bidders, the contract award is based on the lowest, responsive and responsible bid. Therefore no panel was required to evaluate qualifications of various bidders for selection. Based on the above bids, Schram Construction Inc, is the lowest, responsive and responsible bidder. The low bid is 21% less than the budgeted amount, and 12% less than the consultant's cost estimate. Reference checks for Schram Construction Inc. were all excellent.

OBJECTIVES

The objectives of the Resolution is to authorize the Executive Director to enter into contract with the lowest responsive, responsible bidder for construction of, but not limited to, the Scope of Work Listed below:

1. The work includes general construction, including all structural, mechanical, and electrical construction required to complete the work.

2. The work of this contract consists of the replacement of existing boilers and associated equipment, such as pumps and electrical controls, and the installation of new boiler exhaust flue at JFK Towers, which will be installed on the exterior façade of the 12 story building, three feet past the roof line.

PRESENT SITUATION

The boilers and associated equipment at JFK Towers are 36 years old and beyond repair, and at 3850 18th Street are 31 years old and beyond repair, and are in need of replacement. The exhaust flue at JFK Towers is rotted out by condensation and in need of replacement. Maintaining these boilers is a continuous effort by the Authority's Maintenance Department, with frequent shut downs of services and resident discomfort and complaints.

ANTICIPATED OUTCOMES

The installation of new, modern and energy efficient boilers will eliminate the continuous maintenance and frequent shut downs and resident discomfort and complaints, and it will reduce the energy cost in the Authority's operating expenses.

WHO BENEFITS

As stated above, the Authority will benefit greatly by reduced energy consumption, and by having two facilities with new, modern and energy efficient boilers and associated equipment that will reduce operating expenses and virtually eliminate all but preventive maintenance costs.

The residents of these two facilities will benefit from the uninterrupted comfort the new boilers will provide.

The project will also provide employment for public housing residents under the resident hiring requirements.

BUDGET CONSIDERATIONS

The Boiler and Associated Equipment Replacement work will be funded by the Year 2000 CFP (710).

RESIDENT EMPLOYMENT

Schram Construction Inc. is committed to providing, at a minimum, 25 percent resident hiring on this job. Schram Construction Inc. estimates that the project will take 1,800 hours to complete. Resident employees will perform 450 hours or more of the work. The Contractor will provide one full time position for residents.

MBE/WBE STATUS

This Contractor is a Union Contractor, but not an MBE/WBE Contractor, and will subcontract to one (1) non MBE/WBE subcontractors.

RECOMMENDATION

Schram Construction Inc. has submitted a reasonable bid amount and funding is available through the Authority's Year 2000 CFP (710). I recommend adoption of the Resolution.

(Prepared by Basil Nicolaou, and Bob Dahlstrom)

RESOLUTION NO._____
DATE ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH SCHRAM CONSTRUCTION INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE BOILERS AND ASSOCIATED EQUIPMENT REPLACEMENT AT CAL 1-18(1), JFK TOWERS, AND CAL 1-20, 3850 18TH STREET FOR AN AMOUNT NOT-TO-EXCEED $477,800.00.

WHEREAS, the San Francisco Housing Authority (Authority) received two (2) acceptable bids for the Boilers and Associated Equipment Replacement at CAL 1-18(1), JFK Towers, and CAL 1-20, 3850 18th Street as follows:

Bidder	Bid Amount
1. Schram Construction Inc.	$477,800.00
2. Sonomarin Inc.	$514,818.00

WHEREAS, Schram Construction Inc. has submitted a bid of $477,800.00 to provide construction services for the Boilers and Associated Equipment Replacement at CAL 1-18(1), JFK Towers, and CAL 1-20, 3850 18th Street; and

WHEREAS, the Department of Housing and Urban Development (HUD) has funded the Authority under the 2000 CFP (710) program to provide these construction services at CAL 1-18(1), JFK Towers, and CAL 1-20, 3850 18th Street ; and

WHEREAS, the procurement process for this contract meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1 "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws; and

WHEREAS, the Authority has evaluated the bid and determined that Schram Construction Inc., is the lowest responsive and responsible bidder; and

WHEREAS, all additional relevant documents submitted by the bidder have been reviewed and found to be in order:

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is authorized to execute a contract with Schram Construction Inc. for Construction Services for the Boilers and Associated Equipment Replacement at CAL 1-18(1), JFK Towers, and CAL 1-20, 3850 18th Street, in an amount not-to-exceed $477,800.00
2. This Resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

Carl L. Williams
CARL L. WILLIAMS, General Counsel

Date: 9-20-02

REVIEWED BY:

Gregg Fortner
GREGG FORTNER, Executive Director

Date: 9/20/02

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DATE: September 16, 2002

TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

Sululagi Palega, Sr., President
Julie Lee, Vice President
Rev. Edgar E Boyd, Commissioner
George R Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

FROM: GREGG FORTNER, SECRETARY / EXECUTIVE DIRECTOR

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACTS WITH BPS REPROGRAPHIC SERVICES AND WITH ELITE REPROGRAHPICS TO PROVIDE REPROGRAPHIC SERVICES FOR ALL DEVELOPMENTS ON AN AS-NEEDED TASK ASSIGNMENT BASIS IN AN AMOUNT NOT-TO-EXCEED $50,000.00 FOR EACH CONTRACT OVER A TWO-YEAR PERIOD

OVERVIEW

This resolution will authorize the Executive Director to enter into contracts for reprographic services with BPS Reprographic Services and with Elite Reprographics. The two firms will provide these services on an as-needed basis for a period of two years.

Pre-approval of the solicitation package was obtained from Authority management prior to publicly issuing Solicitation No: 02-620-RFP-011. Approval to award the contract has been obtained from TARC.

PROCUREMENT

The procurement process for the action covered by this Resolution meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1, "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws.

Past Bidders List, and Public Agency Websites: The "Request for Proposals" (RFP) was issued on February 6, 2002. Announcements of the solicitation were posted on Citywatch, the City's website, and the Housing Authority website. In addition, the Authority mailed its RFP

to ten (10) potential service providers. The Authority's list of past proposers and the San Francisco Human Rights Commission relevant member listing were used as a source of potential service providers.

The Procurement & Contract Department developed the RFP documents and managed the entire solicitation process including oversight of the Evaluation process.

Three proposals were received in response to the solicitation on March 6, 2002. The firms were:

- Elite Reprographics, San Francisco
- Ford Graphics, San Francisco
- BPS Reprographic Services, San Francisco

OBJECTIVES

The objective of the Resolution is to authorize the Executive Director to enter into contracts with two reprographic companies to provide as-needed reprographic services such as: reproduction of bid packages and specifications, including binding and stapling; duplication of black line and blue line prints for master plans, schematics and construction drawings; and reproduction of photography, finish, color stats and periodic reports. The companies must be able to pick up and deliver work orders. The printing services must be provided under tight time constraints at competitive pricing. Based upon these requirements the following criteria were used to evaluate the submittals.

• Firm's proposed fee schedule	50%
• Firm's understanding of the scope of services	12%
• Firm's experience and ability to perform the work	15%
• Firm's customer reference	10%
• Firm's Affirmative Action practices	5%
TOTAL	**92%**

The maximum score obtainable for each proposal was 92 percent. However, the same criteria were applied to all offers. Therefore, the scoring process was equitable.

SELECTION PROCESS

The proposals were reviewed and evaluated by a three-member panel. The Selection Panel consisted of employees of the Authority; a person who has knowledge of the reprographic services and industry and two individuals who manage Housing Development and Modernization requests for reprographic services. The Selection Panel's final scores and ranking of the submittals are as follows.

Panel Member	Score & Ranking for Vendors					
	Ford		BPS		Elite	
	Score	Rank	Score	Rank	Score	Rank
Number 1	55%	3	57%	2	67%	1
Number 2	61%	3	81%	1	78%	2
Number 3	49%	3	87%	1	82%	2
Total and average	165%	3	225%	1.33	227%	1.67

After careful evaluation based upon the criteria established in the solicitation package, the Selection Panel recommended the contract to be awarded to Elite Reprographics and BPS Reprographics. Both firms have comparable fee schedules and discount rates to the Housing Authority. The two firms presented good organization skills and an understanding of the required services. Both BPS and Elite have state of the art technology which allows the Housing Authority and consultants to e-mail computer generated drawings for reproduction, which is more cost effective than transporting plans by courier. BPS has a known track record of providing excellent service to the Authority.

PRESENT SITUATION

The Housing Authority regularly contracts for these services every two years. These new contracts will replace an existing two-year $150,000 contract with BPS. At the present time the Housing Authority has two open Purchase Orders for services from Elite and BPS which will shortly be exhausted. The Authority anticipates that the next two years volume of reproduction work will be less than the last two years because of reduced CFP funding.

BUDGET CONSIDERATION

Funds are available through the Authority's Capital Funding Program.

RESIDENT HIRING

Elite Reprographic will hire at least one SFHA resident upon award of the contract, while BPS Reprographic Service will use SFHA's resident referrals when the production department commences hiring. BPS has hired SFHA public housing residents in the past.

MBE/WBE PARTICIPATION

Elite Reprographic is a MBE/WBE firm, while BPS and Ford Reprographics Services are not.

UNION STATUS

All three firms who submitted proposals are non-union.

RECOMMENDATION

In order to maximize goals for hiring of Housing Authority residents, staff recommends an award of equal amounts be made to Elite Reprographics and BRS Reprographics, in an amount not-to-exceed $50,000.00 each, for a total of $100,000.00.

(Prepared by: Vera Vallejo-Meyers, Robert Dahlstrom, Gerald Leroy and Rene Latosa)

RESOLUTION NO: _____
ADOPTED:_____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACTS WITH BPS REPROGRAPHIC SERVICES AND WITH ELITE REPROGRAHPICS TO PROVIDE REPROGRAPHIC SERVICES FOR ALL DEVELOPMENTS ON AN AS-NEEDED TASK ASSIGNMENT BASIS IN AN AMOUNT NOT-TO-EXCEED $50,000.00 FOR EACH CONTRACT OVER A TWO-YEAR PERIOD

WHEREAS, the Authority solicited qualified firms to submit proposals for services to provide blue line and black line prints, xerography of specifications, binding, and stapling of specifications, reproductions of photography, and furnish color stats in a timely manner, and

WHEREAS, the Authority posted the solicitation notice on February 6, 2002 on the City's and Housing Authority's websites and mailed copies to ten (10) potential service providers, and

WHEREAS, three firms submitted proposals in response to the solicitation, and

WHEREAS, the proposals were reviewed and evaluated by a three-member selection panel, and

WHEREAS, based upon the criteria established in the solicitation, the selection panel recommended contracts be awarded to both BPS Reprographics Services and to Elite Reprographics, and

WHEREAS, the procurement process for those actions covered by this resolution meet the procurement standards of 24 CFR 85.36 " Procurement", HUD Handbook 7460.8 REV 1, "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and State of California and local Laws, and

WHEREAS, funds are available in the Authority's Capital Fund Program budgets.

NOW, THERFORE BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is authorized to enter into contracts with BPS Reprographic Services and with Elite Reprographics to provide reprographic services for all developments on an as-needed task assignment basis in an amount not-to-exceed $50,000.00 for each contract over a two-year period.

2. This Resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY: **REVIEWED BY:**

CARL WILLIAMS, General Counsel

Date: 5-20-02

GREGG FORTNER, Executive Director

Date: 9/20/02

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SEP 25 2002

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DATE: SEPTEMBER 26, 2002

TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSION

Sululagi Palega, Sr., President
Julie Lee, Vice- President
Rev. Edgar E. Boyd, Commissioner
George Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

FROM: Gregg Fortner, Secretary/ Executive Director

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE FUNDING TO ESTABLISH BLANKET PURCHASE ORDERS FOR FLEET VEHICLE REPAIRS, MAINTENANCE, BODY REPAIR, TIRE SERVICE AND TOWING WITH VARIOUS LOCAL SMALL BUSINESS AUTOMOTIVE REPAIR SHOPS IN AN AMOUNT NOT TO EXCEED $ 170,000 DURING THE FISCAL YEAR 2002-2003

Overview/Background:

The attached resolution is submitted for your review and approval, to authorize the continued funding for necessary vehicle repairs on Authority fleet vehicles. In January the board authorized the Executive Director to provide funding for fleet vehicle repairs, maintenance, body repair, tire services and towing with small automotive repair shops in an amount not to exceed $180,000.00 during fiscal year 2001-2002. Through fiscal management and monitoring of all vehicle repairs including the disposal of old vehicles the Authority has remained within the approved budgeted amount for the current fiscal year.

The Authority procures vehicle and repair services from a number of small local automotive repair shops throughout the City and County of San Francisco, including some that are minority business enterprises. Several weeks ago, the Authority contacted several local automotive repair shops to compare cost and hourly rates for various automotive repairs.

After careful analysis and review it was determined that several of the automotive vendors hourly rates were comparable, at that time to the Authority's current list of vendors, however, hourly rates quoted by a few of the vendors were higher than the Authority's current vendors. The average hourly rate for automotive repairs is between $75.00- $85.00 and some repair shops quoted hourly rates at $98.00 for both trucks and passenger vehicles.

A more recent survey conducted this month with approximately ten automotive repair shops indicates that the average hourly rate for automotive repairs is still between $75.00 –85.00 hourly, however we were able to find some vendors that charged considerably lower rates for certain vehicle repairs routinely performed on Authority vehicles. Two of the recently contacted vendors will become a part of the Authority's automotive vendor list which will result in significant cost savings for specific repairs and towing of agency vehicles.

While conducting the survey of local vendors, careful consideration was given to the geographical location of various repair shops. Particular attention was given to repair shops within close proximity to Authority offices and developments. Many of the Authority vehicles, particularly maintenance vehicles, pickup trucks and dump trucks operate in the Southeast sector of the City (Hunters Point, Potrero Hill, Sunnydale) and dependable vendors in this particular area has contributed to reduced travel time when vehicles are in need of repair.

Present Situation:

Currently the San Francisco Housing Authority has approximately 174 vehicles; pick-up trucks, passenger, vehicles, dump trucks, vans, ¾ and ½ ton pickup utility trucks, forklifts, trailers and specialized vehicles which are used daily for maintenance operations and routine Authority business. Several early model vehicles many of which contributed to high maintenance cost due to repeated repairs have been removed from the authority vehicle inventory and schedule for disposal by way of public auction.

Many of the Authority's current automotive vendors are geographically located throughout the city close to many of the Authority developments. Over the years, the automotive repair vendors have displayed a strong commitment to the quick turnaround and sometimes negotiated costs for authority vehicles. The Authority has recently installed a new fleet maintenance program that more accurately tracks and monitors vehicle repairs. The new vehicle maintenance program includes a preventative maintenance program that allows for annual inspections of older vehicles to reduce repair costs, forecast potential problems and provide greater safety for drivers.

Projected Cost of Resolution:

The amount is not to exceed $170,000.00 during fiscal year 2002/03

Funding Source:

Funding is available through Capital Fund Program Funds, Section 8, Hope VI, and the Low Income Operating Budget for Fiscal Year 2002/03.

Anticipated Outcome:

The anticipated outcome will occur in the following areas:

1. Continued safe operation of Authority vehicles
2. Cost savings
3. Continued and expedient maintenance response throughout the city

Benefit:

The Authority will benefit through the use of the selected vendors that have for the past few years performed fleet repair services in an acceptable manner and provided an acceptable turnaround of Authority vehicles during repair without causing a significant interruption in services to public housing residents. Additionally, this Resolution will provide the opportunity to include an additional vendor that provides services at a lower rate than one of the current vendors, resulting in a significant cost saving for the Authority in addressing abandoned vehicles.

Policy Implementation:

No policy implementation.

Budget Consideration:

To continue with the services of these automotive firms through the 2002-2003 fiscal year, it is proposed that they be funded from a combination of the following sources:

1. Capital Fund Program
2. Section 8
3. Hope VI
4. Low Income Operating Budget for Fiscal Year 2002/03

Recommendation:

After careful review and survey of the hourly rates of several automotive vendors throughout the City and their geographical locations, the vendors described in the this resolution provide comparable rates and timely response to Authority vehicle needs, the selection of the small business automotive vendors described in the resolution are recommended. The hourly rates of several of the current vendors are considerably lower than those surveyed.

RESOLUTION NO. _____

DATE ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE FUNDING TO ESTABLISH BLANKET PURCHASE ORDERS FOR FLEET VEHICLE REPAIRS, MAINTENANCE, BODY REPAIR, TIRE SERVICE AND TOWING WITH VARIOUS LOCAL SMALL BUSINESS AUTOMOTIVE REPAIR SHOPS IN AN AMOUNT NOT TO EXCEED $170,000 DURING FISCAL YEAR 2002-2003

WHEREAS, the Authority procures vehicle repairs and maintenance services from a number of small, local automotive repair shops throughout the City and County of San Francisco, including some that are minority business enterprises; and

WHEREAS, the automotive repair shops that will be utilized by the Authority include the following:

- A.A. Quality Auto Repair (MBE)
- George's Repair & Front End, Inc.
- J&S Auto Repair Shop (MBE)
- A & C Auto Clinic
- Gage Automotive
- Rick's Tire Service
- P&S Towing
- Golden Gate Tow
- Ted & Al's Towing (new)
- Discount Brake & Clutch (new)

WHEREAS, the Authority solicited ten (10) automotive repair shops including tire repair and towing companies for prices, hourly rates and quotes on the types of repairs required for most Authority vehicles and their close proximity to Authority maintenance yards and developments ; and

WHEREAS, the prices and hourly rates of the automotive vendors shown above quoted competitive rates; and

WHEREAS, the Authority through new solicitations has found two small automotive vendors that charge considerably lower rates for certain vehicle repairs routinely performed on Authority vehicles; and

WHEREAS, the Authority has in place a fleet maintenance program and each of the above vendors will provide fleet services in an acceptable manner; and

WHEREAS, in accordance with Procurement Regulations under 24 CFR, part 85.36, the award of contracts should be made on an as-needed basis; and

WHEREAS, these services are solicited in compliance with small purchasing procedures under procurement regulations at 24 CFR, Part 85.36; and

WHEREAS, funding for the aforementioned services is available as part of the Authority's Capital Fund Program, Section 8, Hope VI, and the Operating Budget for Fiscal Year 2002/03

NOW, THEREFORE BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISO THAT:

1. The Executive Director is authorized to provide funding for fleet services described above from the various vendors listed above in an amount not to exceed $170,000.00 during fiscal year 2002-2003.

2. This resolution is effective immediately.

APPROVED AS TO FORM AND LEGALITY:

CARL L. WILLIAMS, General Counsel

Date 9-20-02

REVIEWED BY:

GREGG FORTNER, Executive Director

Date 9/20/02

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SEP 25 2002

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DATE: September 16, 2002

TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

Sululagi Palega, Sr., President
Julie Lee, Vice President
Neola Gans, Commissioner
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner

FROM: GREGG FORTNER, SECRETARY / EXECUTIVE DIRECTOR

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CDX BUILDERS, INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE SECTION 504 ADA COMPLIANCE UPGRADE WORK AT COMMUNITY BUILDINGS AT CAL 1-1, HOLLY COURTS AND CAL 1-2, POTRERO TERRACE FOR AN AMOUNT NOT-TO-EXCEED $288,000.00.

OVERVIEW

This resolution authorizes the Executive Director to execute a contract with CDX Builders, Inc., to provide construction services for the Section 504 ADA Compliance Upgrade Work at the community buildings at CAL 1-1, Holly Courts and CAL 1-2, Potrero Terrace. Pre-approval of the bid package was obtained from Authority management prior to publicly issuing the bid packages. The Authority issued Solicitation No: 02-620-IFB-037 on August 5, 2002 and received sealed bids on September 5, 2002, which were publicly opened and read aloud.

All publicly funded facilities must be accessible according to the American Disabilities Act. The community buildings are not in compliance with the ADA regulations and must be brought into conformance with current standards.

PROCUREMENT

The procurement process for the action covered by this Resolution meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1, "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws.

The Authority advertised for bidders and outreached to potential bidders as follows:

Newspapers: The Authority publicly advertised its "Request for Bids" in the following newspapers:

- Daily Pacific Builder (trade publication) 08/12/02 through 08/23/02
- San Francisco Bay View (African American community) 08/13/02, 08/20/02
- Sing Tao Daily (Asian American Community) 08/09/02 through 08/11/02

Additional Newspapers: The Authority e-mailed its "Request for Bids" to the San Francisco Board of Supervisors office who placed the advertisement in the following community newspapers:

- San Francisco Bay View (African American community),
- El Latino (Hispanic American community),
- El Reportero (Hispanic American community),
- Asian Week (Chinese American community),
- Chinese Times (Chinese American community),
- San Francisco Bay Times (Lesbian/Gay/Bi-sexual/Transgender community),
- San Francisco Spectrum (Lesbian/Gay/Bi-sexual/Transgender community).

Public Agency Websites: The Authority e-mailed its "Request for Bids" to the following agencies who placed the advertisement in their website bulletin boards:

- City and County of San Francisco (City Purchasing Department),
- SBA
- Sub-Net
- Bid-Net
- MBDA

Builders Exchanges: The Authority sent its "Request for Bids", Plans and Specifications to the following Builders Exchanges, where the documents are available to Contractors for review and bid preparation:

- Dodge Scan/Daily Pacific Builder,
- San Francisco Builders Exchange,
- Peninsula Builders Exchange,
- Builders Exchange of Alameda, County
- Santa Clara Builders Exchange,
- Contra Costa Builders Exchange

- BV2HP Builders Exchange
- MECA Builders Exchange
- Marin Builders Exchange
- Building Exchange of Stockton
- Construction Data Plan Room
- Construction Market Data
- Solano-Napa Builders Exchange
- Sierra Contractors exchange
- Building Exchanger
- Building Trades Council

The Authority issued a Request for Bids to 53 MBE/WBE contractors on the Human Rights Commission register as well as to 40 contractors listed in the Blue Book.

The Authority issued Solicitation No. 02-620-IFB-037 to five (5) potential bidders.
A pre-bid site inspection was held at both sites on August 20, 2002. Although no contractors attended, the Authority's Consultant and Authority staff were present at both sites to conduct the inspections.

The Authority received three (3) sealed responsible and responsive bids for the work, which were publicly opened and read aloud on September 5, 2002. The submitted bids are as follows:

#	BIDDER	BID	MBE/ WBE	25% RES. HIRE	SUBCONTRACTOR	MBE/ WBE
1	CDX Builders, Inc.	$288,000	No	Yes	1. N.B. Drywall	3.8%
					2. JD Specialties	No
					3. California Tile Install.	No
					4. Lea Electric	2.7%
					5. Arch. Glass Const..	No
					6. J. C. Metal Specialists	3%
					7. Mei Design	3%
					8. J & M Building Specialties	No
					9. McKinley Equip. Corp.	No
					10. SNC Plumbing & Fire Protection	No
					11. Sun East Floors	7.3%
					12. Professional Asbestos/Lead Serv.	No
					13. Magic Painting	1.3%
					14. Atoll Topui Island	No

					Total % MBE/WBE	21.1%
2	CJE/RTE (JV) Builders	$310,000	Yes	Yes	1. J. D. Specialties	1%
					2. J. C. Metals	3%
					3. California Tile	No
					4. NOVA	No
					5. AJS Painting	11%
					6. Atoll Topui	2%
					7. McKinley	No
					8. Red Top Electric	4%
					9. CFJ	No
					10. Architectural Glass	No
					Total % MBE/WBE	21%
3	Fineline Construction	$396,000	Yes	Yes	1. Uniacke Const.	No
					2. Southwest Hazard	No
					3. A. Ruiz Const.	5%
					4. J . C. Metals	No
					5. MEI Design	No
					6. Pacific Door Products	No
					7. NB Drywall	3%
					8. KZ Tile	No
					9. Golden State Carpet	No
					10. Monticelli Paint	4.5%
					11. Tony Low Plumbing	9%
					Total % MBE/WBE	21.5%

Per HUD-5369 Instructions to Bidders, the contract award is based on the lowest, responsive and responsible bid. Therefore, no panel was required to evaluate qualifications of various bidders for selection. Based on the above bids, CDX Builders, Inc. is the lowest, responsive and responsible bidder. The low bid is less than the budgeted amount, and is 23% less than the independent cost estimate.

OBJECTIVES

The objective of the Resolution is to authorize the Executive Director to enter into a contract with the lowest responsive, responsible bidder to furnish all labor, materials, equipment and

services necessary for the completion of all work specified in the Plans and Specifications, which includes but is not limited to the following:

CAL 1-1, Holly Courts Section 504 ADA Compliance Upgrade Work at Community Building

- Site revisions including new concrete paving and grading
- Rework of building entrance including new electrically operated door.
- Renovation of one toilet room to be handicap accessible. Replacement of fixtures, toilet accessories, ceramic tile, flooring and paint.
- New interior signage
- Relocation and renovation of kitchen area. Installation of new flooring and new cabinetry and new cabinetry and countertops.
- Installation of new accessible transaction counter and window.
- Rework of existing stair.
- Installation of new vertical platform lift.
- Door hardware revisions.
- Hazardous material abatement.

CAL 1-2, Potrero Terrace Section 504 ADA Compliance Upgrade Work at Community Building

- Site revisions to front entrance including repaving and restriping of existing parking lot, additional sidewalk re-paving, new accessible ramp and new concrete stairs with metal railings.
- Site revisions to east entrance including new concrete paving.
- Rework of building entrances.
- New exterior signage.
- Renovation of three toilet rooms. Replacement of fixtures, toilet partitions, toilet accessories, flooring, countertop, ceramic tile and paint.
- Creation of new janitor's closet. Replacement of mop sink.
- Renovation of two kitchen areas including new flooring, cabinets and counter
- Installation of new vertical platform lift.
- Door hardware revisions.
- Hazardous material abatement.

Note: The Contractor shall provide a two year guarantee for the work. Platform lifts shall have a one year limited parts warranty on the basic unit and electrical system components and a two year limited parts warranty on drive components. With a preventative Maintenance Contract, the manufacturer will extend the limited parts warranty for a period of 3 or 5 years.

PRESENT SITUATION

The community room areas are not accessible in accordance with the American Disabilities Act. and being publicly funded facilities must be brought into compliance. These facilities lack the proper sloping and ramping at the paved exterior areas. The existing path of travel does not

comply with current regulations Toilet rooms and kitchens do not comply with the clearance and reach dimensions required. Signage is non-existent or does not meet the required design.

ANTICIPATED OUTCOMES
The community buildings will be upgraded to comply with the requirements of the Section 504 American Disability Act requirements.

WHO BENEFITS
Residents and attendants will benefit from facilities that will conform to the American Disabilities Act. This, in turn, will allow persons with disabilities that could previously not be accommodated in the community building space to have access to the facilities. More use of the community room buildings and more community participation will result which will benefit all.

BUDGET CONSIDERATIONS
The Section 504 ADA Compliance Upgrade Work at the community buildings at Cal 1-1, Holly Courts and CAL 1-2, Potrero Terrace work will be funded by the Year 2000 CFP (710).

RESIDENT EMPLOYMENT
CDX Builders, Inc. is committed to providing at least 25% percent resident hiring on this job at a minimum. CDX Builders, Inc. estimates that the project will take 2,744 hours to complete. Resident employees will perform 686 hours or more of the work.

MBE/WBE STATUS
This Contractor is a Union Contractor, and will let subcontracts to six (6) MBE/WBE subcontractors that will perform 21.1% of the total Contract amount.

RECOMMENDATION
CDX Builders, Inc. has submitted a reasonable bid amount and funding is available through the Authority's Year 2000 CFP (710). I recommend adoption of the Resolution.

(Prepared by, Barbara Smith, Bob Dahlstrom, and David Leash)

DATE ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CDX BUILDERS, INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE SECTION 504 ADA UPGRADE WORK AT THE COMMUNITY BUILDINGS AT CAL 1-1, HOLLY COURTS AND CAL 1-2, POTRERO TERRACE FOR AN AMOUNT NOT-TO-EXCEED $288,000.00.

WHEREAS, the San Francisco Housing Authority (Authority) received three (3) acceptable bids for the Section 504 ADA Compliance Upgrade Work at the community buildings at CAL 1-1, Holly Courts and CAL 1-2, Potrero Terrace as follows:

Bidder	Bid Amount
1. CDX Builders, Inc.	$288,000.00
2. CJE/RTE(JV)	$310,000.00
3. Fineline Construction	$396,000.00

WHEREAS, CDX Builders has submitted a bid of $288,000.00 to provide construction services for the Section 504 ADA Compliance Upgrade Work at CAL 1-1, Holly Courts and CAL 1-2, Potrero Terrace; and

WHEREAS, the Department of Housing and Urban Development (HUD) has funded the Authority under the 2000 CFP (710) program to provide these construction services at CAL 1-1, Holly Courts and CAL 1-2, Potrero Terrace; and

WHEREAS, the procurement process for this contract meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1 "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws; and

WHEREAS, the Authority has evaluated the bid and determined that CDX Builders, Inc. is the lowest responsive and responsible bidder; and

WHEREAS, all additional relevant documents submitted by the bidder have been reviewed and found to be in order:

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is authorized to execute a contract with CDX Builders, Inc. for Construction Services for the Section 504 ADA Compliance Upgrade Work at the community buildings at CAL 1-1, Holly Courts and CAL 1-2, Potrero Annex, in an amount not-to-exceed $288,000.00

2. This Resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

CARL L. WILLIAMS, General Counsel

REVIEWED BY:

GREGG FORTNER
Executive Director

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TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

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George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

FROM: GREGG FORTNER, SECRETARY / EXECUTIVE DIRECTOR

DATE: SEPTEMBER 26, 2002

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CM PROS TO PROVIDE CONSTRUCTION COST ESTIMATING SERVICES ON AN AS-NEEDED, TASK ASSIGNMENT BASIS FOR ALL DEVELOPMENTS IN AN AMOUNT NOT-TO-EXCEED $120,000 OVER A TWO-YEAR PERIOD

OVERVIEW

This Resolution will authorize the Executive Director to enter into a contract with the highest-ranked construction cost estimating consulting firm on an as needed, task assignment basis for all developments over the next two years. This contract will provide the Authority with a consultant who can prepare and certify the independent engineer's cost estimates required by 24 CFR Part 85.36 "Procurement", HUD Handbook 7460.8 REV 1 "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities" and the Authority's Procurement Policy and Procedure Manuals.

The contract with the current consultant, Hanscomb Inc., will soon be completed. During the two-year life of the current contract, twenty-nine separate tasks were completed. The various tasks included certifying the cost of construction contract modifications, a complete project cost estimate for remodeling common spaces and vacant units at Sunnydale, Potrero Terrace and Clementina, and the cost certifications required for grant applications such as the $3 million North Beach demolition grant received from HUD.

OBJECTIVE

The Authority has planned and budgeted over $29 million in capital improvements through the FY01 and FY02 Capital Fund Programs. The objective of this Contract is to provide for the independent construction cost estimating services required by 24 CFR Part 85.36 and by HUD.

The task assignments may include:

1. Perform an analysis and estimate costs for all aspects of demolition, remodeling and new construction including associated site work;

2. Develop cost estimates for architectural, civil, electrical, landscaping, mechanical, structural, and all sub-trades involved therewith;

3. Prepare conceptual estimates at the Programming, Schematic Design, Design Development, and Construction Document (at 50% and 95% completion) Phases;

4. Provide Value Engineering services that include cost-saving design and specification recommendations based upon the conclusions reached in Items 1 through 3 above. Such recommendations shall also be based upon the Consultant's best judgement as a design professional familiar with the construction industry. The Consultant shall also be available to provide technical information and recommendations to the Architect/Engineer of record for the project;

5. Evaluate proposed contractor change order requests during the Construction Administration Phase, and assist the Local Authority in negotiations with the contractor; and

6. Attend meetings as required.

PROCUREMENT

The procurement process for the action covered by this Resolution meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1, "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws. The completed procurement process has been reviewed and approved by HUD.

Solicitation Process

Pre-approval of the RFP was obtained from Authority management prior to advertisement.

The RFP for was issued on May 28, 2002, with announcements to the SF City Outreach Services and the American Institute of Architects. It was posted on the SF City Bids and Contracts newsletter, the SF City web site, the SFHA web site, and the Small Business Administrations' Sub-Net web site. An advertisement was published in the SF Bayview, the Sing Tao Daily, and the Daily Pacific Builder. Finally, the announcement and proposals were mailed directly to 11 local professional firms and individuals.

Eight proposals were received by the June 25, 2002 deadline.

Evaluation Process for Stand-by Architectural Consulting Services
The evaluation process consisted of an evaluation of the written responses to the RFP to shortlist the highest-ranked firms for oral interviews. The three top-ranked firms were Hanscomb, Inc., CM Pros, and Rider Hunt Levett & Bailey.

Interviews were conducted with each firm on July 30, 2002, during which time the respondents discussed their proposals and clarified issues raised by the Evaluation Panel.

Evaluation Panel Members
Chairperson: Architect, Housing Development and Modernization, Senior Project Manager. Selected for her expertise in public housing design and construction, and consultant management and understanding of the Capital Grant Program.

Member: Architect, Housing Development and Modernization, Senior Project Manager. Selected for her expertise in public housing design and construction.

Member: Architect, Housing Development and Modernization, Construction Services Manager. Selected for his expertise in housing design and construction, and in consultant management.

Evaluation Criteria
Listed below are the evaluation criteria and their relative weight. Described in italics are the reasons for the different criteria. The Director of Contract/Procurement Division approved the criteria and weighting given to each, which is based on the Authority's standards for Request for Proposals questions and weighing.

No.	Criteria & Reason	Weight
A	Criterion: Firm's experience and ability to provide construction cost estimating services as outlined in the Scope of Work *This allows evaluation of the firm's technical expertise as measured by the quantity and type of work performed by the firm and its years in business.*	40 points
B	Criterion: Firm's past performance in providing construction cost estimating services, and prior esperience of the individuals to be assigned to this project. *This provides insight into the quality of the staff as measured by their professional degrees, licenses and experience with the type of work required by this contract. The local staff size and their credentials is a quantitative measure of their knowledge, and is indicative of the theirs ability to respond quickly with qualified staff.*	40 points

C	Criterion: Firm's commitment to meeting the Authority's Affirmative Action goals – MBE/WBE Participation and Resident Hiring.	40 points
	This allows evaluation of the firm's commitment to MBE/WBE participation and analysis of its detailed plan for resident hiring.	
	TOTAL	100 points

The Evaluation Panel reviewed the firms based on the above criteria in the RFP. The eight firms scored from 55.33 to 88.66 points. The five firms with the lowest scores were determined to not meet the technical needs of the Authority.

Interview
After the reference checks and interviews, the final technical evaluation scoring for the three top-ranked firms was as follows:

- Hanscomb was ranked #1 with a score of 91.67 points.
- CM Pros was ranked #2 with a score of 84.17 points.
- Rider Hunt Levett & Bailey ranked #3 with a score of 81.60 points.

Price
Price was evaluated against the above technical evaluation criteria, based on the hourly billing rates included in the written proposals. Because there was a wide range of billing rates between the three top-ranked firms, a letter was sent to each of the three firms asking them to resubmit their best and final hourly billing rates. CM Pros is the lowest-priced firm, with hourly billing rates 15% below that of the second lowest-priced firm and 25% below that of the highest–priced firm.

The Evaluation Panel recommended that CM Pros as the most advantageous proposal to the Authority based upon the technical factors and the evaluation of the best and final price offers.

PRESENT SITUATION
The prior construction cost estimator consultant contract is nearing successful completion. The consultants provided cost estimates which allowed completion of over $19 million in emergency fund construction projects and over two dozen completed 504/ADA accessibility construction projects. The FY01 and FY02 Capital Funds Program includes numerous planned construction projects which require construction cost estimating services.

A sample of the planned capital work over for the next two years include waterproofing at Clementina Towers, waterproofing and structural repairs at Westbrook and Alice Griffith., and accessibility upgrade for various developments.

ANTICIPATED OUTCOMES
If this contract is funded the anticipated outcomes are:

- The Authority will receive quality construction cost estimating services for Capital Fund Program construction.
- The Authority will be able to comply with all Federal, State and City Codes and Regulations.
- The Authority will provide detailed budgets for improving physical conditions for residents.
- Residents will have opportunity for training and employment.

WHO BENEFITS
Residents benefit from having appropriate construction cost estimating services for all contracted and in-house construction work. Inadequately budgeted improvements can be detrimental to the health and well-being of residents.

BUDGET CONSIDERATIONS
Funding for this contract is immediately available within the 2001 and 2002 Capital Fund Programs. Hourly billing rates and reimbursable expenses have been negotiated and established at a competitive range.

RESIDENT EMPLOYMENT
CM Pros has agreed to hire public housing residents to meet or exceed the 25% requirement for non-construction contracts that exceed $50,000. They have met with the Authority's resident hiring specialist to seek out and interview qualified Authority residents for job opportunities in their office for technical trainees and/or administrative assistants. They are willing to participate with other Authority architect and engineer consultants to provide more extensive training for selected residents, and they will provide for over 325 hours of full-time employment of public housing residents for this contract.

CM Pros will be entering its first contract with the Authority.

MBE/WBE STATUS
CM Pros is Minority Business Enterprise certified by the San Francisco Human Rights Commission. It has a diverse workforce in its office and has provided an Affirmative Action Acknowledgement form that meets the requirements of Executive Order 11246.

RECOMMENDATION
I recommend approval of this Resolution.

(Prepared by Barbara Smith and Steve Haines, Housing Development and Modernization Department)

RESOLUTION NO._____
DATE ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CM PROS TO PROVIDE CONSTRUCTION COST ESTIMATING SERVICES ON AN AS-NEEDED, TASK ASSIGNMENT BASIS FOR ALL DEVELOPMENTS IN AN AMOUNT NOT-TO-EXCEED $120,000 OVER A TWO-YEAR PERIOD

WHEREAS, the San Francisco Housing Authority (Authority) requires consultants who can provide construction cost estimating services on an as-needed, task assignment basis; and

WHEREAS, the contract with the current construction cost estimating consultants will soon be completed; and

WHEREAS, the Authority has programmed capital work funded with the 2001 and 2002 Capital Fund Programs which will each require construction cost estimating services; and

WHEREAS, CM Pros has been selected through the Request for Proposals process as the most advantageous qualified firm for this work, with the lowest hourly billing rates; and

WHEREAS, funding is available within the 2001 and 2002 Capital Fund Programs budgets; and

WHEREAS, the procurement process for this contract meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1 "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws, and has been reviewed and approved by HUD.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is authorized to execute an as needed, task assignment basis contract with CM Pros for Construction Cost Estimating Services for all developments in an amount not-to-exceed of $120,000 over a two-year period.

2. This Resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

Carl L. Williams
CARL L. WILLIAMS, General Counsel

Date: 9-20-02

REVIEWED BY:

GREGG FORTNER, Executive Director

Date: 9/20/02

HOUSING AUTHORITY
OF THE
CITY AND COUNTY OF SAN FRANCISCO

Minutes of Annual Meeting
Thursday, September 26, 2002

440 Turk Street
San Francisco, California

The Housing Authority of the City and County of San Francisco met in an annually scheduled meeting at 440 Turk Street, San Francisco, California on Thursday, September 26, 2002, at 4:00 p.m.

President Sululagi Palega called the meeting to order at 4:09 p.m.

1. ROLL CALL

Roll call found the following members to be:

PRESENT: *Sululagi Palega, Sr., President*
Julie Lee, Vice President
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner
Neola Gans, Commissioner

ABSENT (Excused): *Rev. Edgar E. Boyd, Commissioner*

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A quorum was present.

ALSO PRESENT: *Mr. Gregg Fortner, Executive Director/Secretary*
Mr. Carl L. Williams, General Counsel

2. APPROVAL OF AGENDA

Commissioner Clark moved to approve the agenda and Commissioner Lee seconded the motion. The motion was carried by a unanimous vote.

3. ELECTION OF OFFICERS

- *President*

General Counsel Carl Williams guided the election proceedings. Commissioner Lee nominated President Palega for the office of President for the 2002-2003 year. Commissioner Clark seconded the nomination. There being no further nominations, the nominations for office of President were closed. Commissioner Palega was elected as the President for the 2002-2003 year by acclamation.

- *Vice President*

Commissioner Smith nominated Commissioner Boyd for the office of Vice President. President Palega informed Commissioner Smith that Commissioner Boyd would not be serving on the Housing Authority's Board of Commissioners for much longer due to being appointed to another board. Commissioner Smith withdrew her nomination of Commissioner Boyd and nominated Commissioner Lee for the office of Vice President. Commissioner Brown seconded the nomination. Commissioner Lee was appointed the Vice President of the San Francisco Housing Authority's Board of Commissioners by a unanimous vote.

4. ADJOURNMENT

There being no further business to come before the Commission, the Annual meeting of September 26, 2002 was adjourned at 4:13 p.m.

Gregg Fortner, Secretary/Executive Director

Sululagi Palega, President

HOUSING AUTHORITY
OF THE
CITY AND COUNTY OF SAN FRANCISCO

Minutes of Regular Meeting
Thursday, September 26, 2002

440 Turk Street
San Francisco, California

The Housing Authority of the City and County of San Francisco met in a regularly scheduled meeting at 440 Turk Street, San Francisco, California on Thursday, September 26, 2002, at 4:00 p.m.

President Sululagi Palega called the meeting to order at 4:14 p.m.

1. ROLL CALL

Roll call found the following members to be:

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PRESENT: *Sululagi Palega, Sr., President*
Julie Lee, Vice President
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner
Neola Gans, Commissioner

ABSENT (Excused): *Rev. Edgar E. Boyd, Commissioner*
A quorum was present.

ALSO PRESENT: *Mr. Gregg Fortner, Executive Director/Secretary*
Mr. Carl L. Williams, General Counsel

2. APPROVAL OF AGENDA

Executive Director Gregg Fortner asked for the removal of New Business Item 10F from the agenda. Commissioner Lee moved to approve the agenda as amended and Commissioner Clark seconded the motion. The motion was carried by a unanimous vote.

3. APPROVAL OF MINUTES

President Palega stated that there were two sets of minutes to be approved, September 12, 2002 Regular Commission Meeting minutes and the minutes of the September 17, 2002 Special Commission Meeting.

Commissioner Smith moved to approve the minutes of the September 12, 2002 Regular Commission Meeting. Commissioner Brown seconded the motion. The motion to approve the minutes of the September 12, 2002 Regular Commission meeting was carried by a unanimous vote.

Commissioner Lee moved to approve the minutes of the September 17, 2002 Special Commission Meeting. Commissioner Brown seconded the motion. The motion to approve the minutes of the September 17, 2002 Special Commission meeting was carried by a unanimous vote.

4. GENERAL COMMUNICATIONS/ REPORT OF SECRETARY

Executive Director Gregg Fortner asked the Commission if the General Communications and the Report of Secretary could be considered at the same time. There was no opposition to his request. Mr. Fortner reported that the Commission Request Log had been updated to reflect that the joint commission meeting of the SFHA Commission and the San Francisco Police Commissioners had taken place on September 23, 2002 at Plaza East. All of the other items are pending future Commission meetings. Mr. Fortner then brought attention to the announcement of the Eugene Coleman Groundbreaking Ceremony on October 1, 2002 at 3:30 p.m. Eighty-five new units will be added adjacent to the Clementina Towers. The Commissioners were invited to attend. Mr. Fortner also announced the groundbreaking ceremony for North Beach, which will take place on October 7, 2002 at 11:00 a.m. Congresswoman Pelosi, Mayor Brown, and a number of other dignitaries are expected to attend.

Mr. Fortner also informed the Commission of the correspondence received from HUD concerning some deficiencies in the PHA Plan. The deficiencies have been identified and staff met with the resident advisory board to make the proper revisions. The PHA Plan will be resubmitted to HUD by September 30, 2002 as stipulated in the letter. Mr. Fortner then introduced LaVaughn King to elaborate on the PHTA elections.

Ms. King explained that the elections for Sunnydale, Alice Griffith, Hunter's View, and Bernal Dwellings had already taken place. The elections for Hunter's Point A East were still in progress. Ms. King stated that the election process takes 120 days. The PHTA will begin after forming an election committee. The meeting to establish the election committee will be held on November 19, 2002. After the committee meets, the nominations can open on the same day and will remain open for two weeks. December 18, 2002 is the tentative date to hold a luncheon for the candidates to state their goals and objectives for the upcoming year. The tentative election date is January 25, 2003 to be held at Rosa Parks.

5. COMMITTEE REPORTS

Diversity Committee

President Palega asked Commissioner Gans to serve on this committee and asked Commissioner Smith to serve as the chair of the Diversity Committee.

Finance Committee
President Palega stated that he had spoken with David Esparza, the Administrator of Finance and it has been decided that the Finance Committee will meet in November to discuss the closing numbers for the 2001-2002 fiscal year.

Personnel Committee
Nothing to report.

6. REPORT OF COUNSEL

Nothing to report.

7. TENANT REPRESENTATIVE REPORT

City Wide Council - Senior/Disabled
President William Vitale congratulated President Palega and Vice President Julie Lee to their reappointment as officers of the Board. Mr. Vitale also reported that the trip of approximately 180 Senior and Disabled individuals to Bofante Gardens was a success. He further stated that a Volunteer Appreciation Celebration is being planned.

Public Housing Tenants Association (PHTA)

8. PUBLIC COMMENTS ON AGENDA ITEMS: LIMITED TO 2 MINUTES

NOTE: *The public will have the opportunity to comment on agenda items prior to any action taken by the Commission pursuant to the San Francisco Housing Authority Rules Governing Public Testimony adopted 2/23/95 as Resolution No. 4423. Prior to adjournment, after Item No. 11, the public will have the opportunity to comment on items not on the agenda.*

There were no public comments on agenda items.

9. NEW BUSINESS:

RESOLUTION No. 5053

(A) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH SCHRAM CONSTRUCTION INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE BOILERS AND ASSOCIATED EQUIPMENT REPLACEMENT AT CAL 1-18(1), JFK TOWERS, AND CAL 1-20, 3850 18TH STREET FOR AN AMOUNT NOT-TO-EXCEED $477,800.00

Barbara Smith, Housing Development and Modernization Adminstrator stated that the approval of this Resolution would permit the SFHA to proceed with boiler and boiler system replacements at the JFK Towers and 3850 18th Street (18th Street). The JFK

Towers are 12 stories high and comprised of 98 units. Eighteenth Street has 102 units and is four stories high. The boilers at the JFK Towers are 38 years old, and the boilers at 18th Street are 31 years old. Ms. Smith stated that over the past few years, these boilers have cost the Authority a great deal of money to maintain and now that further deterioration has occurred, these boilers are beyond repair. The boilers frequently shut down causing problems in maintaining hot water for the residents.

Extensive advertising and procurement of contractors has been performed through the Blue Book, HRC, newspapers, Yellow Pages, public agency websites, minority newspapers, and builder's exchanges. Bid packages were sent to minority contractor associations. Ms. Smith reported that two bids were received on November 29, 2001. The low bidder was Schram Construction and they have committed to hiring 25% of their laborers be residents. Schram is apart of a union, but are not MBE/WBE. Only 1% of the work will be subcontracted. The procurement has been approved by TARC and Schram has impecible references. The work will include structural, mechanical, and electrical construction, and removal of lead and asbestos. Particularly at the JFK Towers the flue has severely deteriorated causing water damage at every level, near the elevators and must be repaired.

Commissioner Clark asked if only two bids were received. Ms Smith replied that a third bid was received, but the contractor failed to fill out all of the forms and the bid was determined to be unresponsive.

Commissioner Lee asked how long the work and parts are guaranteed for. Ms. Smith answered that the labor is guaranteed for 2 years and the boilers and equipment are guaranteed for 2 years. Commissioner Lee expressed concerns of boilers becoming obsolete in today's market and the parts becoming harder to obtain. She asked that the SFHA perform research and consider changing the system next time. Ms. Smith introduced Richard Schram of Schram Construction to elaborate on the guarantee. Mr. Schram explained that normal warranties are for one year, but an addendum extended this warranty to two years. Executive Director Gregg Fortner asked if the actual equipment has a longer warranty. Ms. Smith replied that different equipment have a different warranty length. President Palega requested that Ms. Smith investigate extending the warranty on the equipment beyond two years so that if the equipment fails, the Authority will be covered. President Palega added that in the future, the option for extended warranties should always be explored and mentioned in the report to the Commission. Mr. Schram added that product defects are covered in an implied warranty by the contractor. He assured the Commission that if something went wrong Schram Construction would fix it. In reference to Commissioner Lee's inquiry, Mr. Schram stated that a whole new system will be installed, and all switches are being replaced.

President Palega asked Mr. Schram if the resident employees would hold apprentice positions. Mr. Schram responded that if there are apprentice plumbers, they will be utilized as well as demolition laborers. In response to Commissioner Brown's questions,

Mr. Schram stated that this five-month project will be completed by four workers, one of which will be a resident employed full time.

Commissioner Brown moved to approve Resolution No. 5053. Commissioner Smith seconded the motion. The motion to approve Resolution No. 5053 was passed by a unanimous vote.

RESOLUTION No. 5054

(B) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACTS WITH BPS REPROGRAPHIC SERVICES AND WITH ELITE REPROGRAPHICS TO PROVIDE REPROGRAPHIC SERVICES FOR ALL DEVELOPMENTS ON AN AS-NEEDED TASK ASSIGNMENT BASIS IN AN AMOUNT NOT-TO-EXCEED $50,000,00 FOR EACH CONTRACT OVER A TWO-YEAR PERIOD

Steve Haines, the Construction Services Manager for Housing Development and Modernization stated that this procurement would replace an expired contract for blue printing, copying, and other reprographic services used by the SFHA. The procurement had been reviewed and approved by HUD through the TARC group. The normal procurement process was administered in addition ten potential service providers were directly given an RFP. Three responses were received and evaluated by a panel using a scoring criterion detailed in the memorandum. Upon completing the evaluation process, BPS and Elite had the two highest scores. The third company's scores were exceptionally low, reflecting the missing information in the company's proposal and a lack of commitment to some of the SFHA goals.

Due to the evaluation results being so competitive, the panel recommended granting two contracts in the amount of $50,000 each versus one contract for $100,000. A new contract to Blue Print Service as the old one expired and a contract to Elite Reprographics, a woman owned, minority, company. Elite Reprographics has never had this opportunity with the SFHA before. Mr. Haines reported that both companies are very organized, have a good understanding of the SFHA needs, and have state of the art technology to perform the tasks. This procurement would be funded and budgeted through Capitol Funds. The amount is one third less than the previous years' procurement because the emergency fund is not included.

Elite Reprographics is aggressively proceeding to hire residents and have already scheduled interviews with the help of Waymond Nichols. Blue Print Services have hired residents in the past and have agreed to do so for this contract as well.

President Palega stated that Ford Graphics is listed as number two and wanted to know if this was where they ranked on the bid. Mr. Haines replied that the companies were arbitrarily listed. In reference to President Palega's further inquiry, Mr. Haines reported that out of 276 points, Ford scored 165, BPS scored 225, and Elite scored 227. President

Palega then asked what the companies bid. Mr. Haines answered that these contracts are on an as needed, task assignment basis, and the Authority would be saving up to 80% off their regular published prices. President Palega commented that it is difficult for the Commission to judge the savings if there is no listed comparison of what is being charged. Executive Director Gregg Fortner asked Rene Latosa, Procurement Director of Management Services and Support, to explain the request for proposal (RFP) process when entering a contract on an as-needed, task assignment basis. Mr. Latosa stated that companies submit an RFP in confidence and the prices are kept confidential until the award is given and then it can be made public. The vendors are ranked according to their qualifications and can decide to pull their bid before the contract is awarded. Mr. Latosa stated that the SFHA is exploring various options to enable the Commission to view the prices before awarding the contract. Mr. Fortner stated that this is a complicated process and the government procurement book is available to the Commission should they choose to self examine it.

Commissioner Lee moved to approve Resolution No. 5054. Commissioner Brown seconded the motion. The motion to approve Resolution No. 5054 was carried by a unanimous vote.

RESOLUTION No. 5055

(C) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE FUNDING TO ESTABLISH BLANKET PURCHASE ORDERS FOR FLEET VEHICLE REPAIRS, MAINTENANCE, BODY REPAIR, TIRE SERVICE AND TOWING WITH VARIOUS LOCAL SMALL BUSINESS AUTOMOTIVE REPAIR SHOPS IN AN AMOUNT NOT TO EXCEED $170,000 DURING THE FISCAL YEAR 2002-2003

Jim Williams, Director of Administrative Services and Security reported that through strict fiscal management and monitoring of invoices of the repair work done on fleet vehicles, the SFHA is still within budget, though funding is almost depleted. A careful analysis of all of the SFHA vendors for vehicle upkeep was conducted. Their hourly rates were compared to a citywide survey for the same work. Through this survey the SFHA discovered and added two new vendors that charge a less for brake, clutch, and certain transmission work. All of the vendors were contacted to ascertain their openness to hiring and training public housing residents. Most stated that depending on openings and positions, they would be willing to hire and train residents.

Mr. Williams stated that older vehicles, which were becoming very costly to maintain, have been discarded. Thus, the requested amount is $10,000 less that what was requested last year.

Commissioner Smith moved to approve Resolution No. 5055 and Commissioner Gans seconded the motion. Resolution No. 5055 was approved by a unanimous vote.

RESOLUTION No. 5056

(D) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CDX BUILDERS, INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE SECTION 504 ADA COMPLIANCE UPGRADE WORK AT COMMUNITY BUILDINGS AT CAL 1-1, HOLLY COURTS AND CAL 1-2, POTRERO TERRACE FOR AN AMOUNT NOT-TO-EXCEED $288,000.00

Barbara Smith, Housing and Development Modernization Administrator stated that the approval of this resolution would upgrade two very important community facilities. All community facilities are required to be accessible to people in wheel chairs. The normal procurement process was administered, and three sealed bids were received. The bids ranged from $288,000 to $396,000. The low bidder was CDX Builders. CDX is not MBE/WBE, but have agreed to exceed the 25% resident hiring goal. MBE/WBE firms will be subcontracted 21% of the work. The solicitation process has been approved by HUD and will enable the SFHA to complete the required work so that residents and employees can have wheelchair accessibility.

President Palega asked if apprenticeship opportunities would be available as this job is being completed. Ms. Smith asked Joe Fong of CDX Builders to address President Palega's question. Mr. Fong stated that apprenticeship opportunities would be available. Commissioner Brown asked if potential apprentices would work directly with CDX Builders or the subcontractors. Furthermore, what part of the work was to be CDX's responsibility. Mr. Fong answered that CDX would be in charge of the construction for framing and demolition and resident hires would work for CDX. Commissioner Brown asked if they already have residents working for them. Mr. Fong replied that they do. Commissioner Brown then asked if those resident employees were to be utilized for this job or would new residents be hired. Mr. Fong stated that residents that were already employed would be used on this job as well as new resident hires. Commissioner Brown suggested that the resident hires come from the development that the work is being performed in. Mr. Fong stated that it would be no problem to do so.

Commissioner Brown moved to approve Resolution No. 5056. Commissioner Smith seconded the motion. Resolution No. 5056 was approved by a unanimous vote.

(E) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACT WITH CM PROS TO PROVIDE CONSTRUCTION COST ESTIMATING SERVICES ON AN AS-NEEDED, TASK ASSIGNMENT BASIS FOR ALL DEVELOPMENTS IN AN AMOUNT NOT-TO-EXCEED $120,000 OVER A TWO-YEAR PERIOD

Steve Haines, Construction Services Manager for Housing Development stated that the purpose of this contract is to replace the expiring contract that the SFHA currently has. This solicitation and contract had been approved by HUD through TARC. Under this

contract CM Pros will perform tasks such as providing costs estimates to assist in the SFHA budget and planning, completing independent cost certifications required for grant applications, negotiating with unruly contractors over construction change costs, and providing value engineering services. The normal procurement process for solicitation and advertisement was administered in addition to eleven requests for proposals directly submitted to companies on the HRC list of cost estimators. Eight proposals were received and evaluated by a panel based on their experience, ability, and past performance. The scores ranged from 55 to 88 with the highest score possible being 100 points. The panel determined that the five lowest firms did not meet the technical needs of the Housing Authority. The top three were invited to discuss their proposals with the panel for further questioning. Because of the wide range in pricing, each firm was asked to provide their best and final offer on their billing rates. CM Pros did not rank the highest technically, but could adequately fulfill the needs and be the most economically viable for the SFHA. Therefore, the panel recommended CM Pros for the contract. The budget is available through the Capitol Fund program.

CM Pros is a minority owned business and have agreed to meet or exceed the 25% resident hiring requirement. CM Pros has also agreed to participate with the other architects and engineers that the SFHA works with, in providing a more meaningful employment experience for the residents. This will result in over 325 hours of employment. Mr. Haines reported that this would be CM Pros first contract with the SFHA.

Commissioner Lee stated that she has serious issues with the omission of the quoted prices and wants to know what is being compared. Mr. Haines sympathized with Commissioner Lee's frustration, but reiterated that it is the SFHA's procurement policy, consistent with HUD's policy, to maintain the confidentiality of the bids until the proposal becomes a contract. President Palega added that by the time a resolution is presented a contract award is about to be given, and the bidding should be complete, therefore the quoted prices should be revealed. Furthermore, it becomes extremely difficult for the Commission to determine who is giving the lowest bid when percentages are not accompanied by any figures. President Palega stated that the Commission is requested to approve a resolution that has solely been left up to the discretion of staff. Executive Director Gregg Fortner suggested that a Commissioner participate on the evaluation panel to validate proposals introduced by the staff. President Palega stated that providing the Commission with supporting documentation, to be kept confidential by the Commission, would be sufficient. Commissioner Lee agreed with the idea of a Commissioner participating on the evaluation panel. Mr. Fortner asked Mr. Latosa if there were any issues with a Commissioner participating on the evaluation panel. Mr. Latosa stated that he didn't think so, but would investigate to verify it. Mr. Latosa also suggested that disclosing the bid after the scoring is completed become apart of the proposal process and that way no one would take issue.

Mr. Fortner suggested that the staff provide the necessary documentation as requested by the Commission, and revisit this resolution at a later meeting.

Commissioner Brown asked Mr. Haines who has CM Pros done work with in the past. Mr. Haines replied that they have done significant work on the Moscone Center expansion, the S.F. 9/11 Upgrade, Gallo Performing Arts Center, 12th Street parking structure, and the Oakland Highland Hospital.

New Business Item E was tabled.

12. PUBLIC COMMENTS ON ITEMS NOT ON AGENDA

Lavelle Shaw, President of the Alice Griffith Tenant Association reported that a female tenant in his development is in fear of her life due to violent threats being made towards her. She claims to have provided the SFHA with Police documentation and has requested a transfer, but nothing is being done by the SFHA to remedy her situation. President Palega asked if this situation has been discussed with Jim Williams. Mr. Shaw stated that it had been discussed with Mr. Williams, and Beverli Marshall. President Palega stated that if he doesn't get the results he is seeking from the staff, Mr. Shaw is welcome to revisit the Commission. Mr. Shaw then took a moment to acknowledge Lavaughn King for the outstanding work she is doing with the Tenant Association Elections and training the officers to be good leaders. He encouraged everyone to do the same.

Commissioner Clark then asked Mr. Shaw what does he understand to be the process of reporting a life-threatening situation to the Authority. Mr. Shaw stated that he believed that she followed all of the processes in place as far as contacting the police and then the SFHA. This tenant just wants to be helped. Commissioner Clark asked Mr. Shaw if this tenant thinks the SFHA is not reacting quickly enough to handle the situation. Mr. Shaw replied, yes.

Roanae Kent was not present to address the Commission.

13. COMMISSIONER'S COMMENT AND REPORT (Verbatim)

Commissioner Clark – There's a section for Commissioner's comment and report. May I speak for just a moment?

President Palega – Yes. Yes you may.

Commissioner Clark – First of all, there are a couple of thoughts on my mind as I sit through this evening's meeting. As the staff has requested, through these resolutions, over a million dollars in funds and we've been listening. But, I think everybody in the room, that's been here, has sensed the frustration that the Commission has with regard to the information we have in order to make informed decisions about spending a million dollars. Or, authorizing the spending of a million dollars. But we, at least I, speaking for myself, have faith in the staff that they're doing their best, to comply with the various regulations. And when they come to recommend to us, something, that they're doing it in

good faith and in the best interests of the community. However, I'm very concerned about the last comment that I heard about, from Mr. Shaw, who's representing a resident.

And, Mr. President, Mr. Fortner, and Mr. Williams, there have been too many of these types of complaints, in my opinion, over the last few months since I've been a Commissioner here, regarding discrimination, unsafe housing facilities, frustrated tenants, a lack of response by the Housing Authority to deal with these issues. And those things have led to lawsuits. Some of which we're going to discuss in private tonight, but others that have been very publicly displayed in the newspaper; regarding discrimination, unsafe practices, harassment of a sexual nature, or of a racial nature. And my question for the staff, Mr. Fortner and Mr. Williams, how do we respond to these residents who are claiming that they're trying, trying, trying to contact the Housing Authority to reach out for protection because they feel their life and safety is in jeopardy, and yet are encountering delays, delays, delays. Let me finish my comments by pointing out that this evening I received a package of information, a note from Mirna Escobar, regarding this exact, same issue. And the safety issue that she's brought to the attention of the Housing Authority. I don't know who, in particular, but a number of names are in her correspondence. Clips from the San Francisco Chronicle regarding a rape victim who asks, "why wouldn't Housing officials believe me?" A judge in San Francisco who's lambasting the Housing Authority for failing to act in a harassment case, and the list seems to go on and on. So, I want to know, as a Commissioner, and I hope I speak for my fellow Commissioners, what are we doing for our residents so that they have a place they can report problems, and that those problems will be investigated, and they'll get a legitimate answer regarding their safety?

Executive Director Gregg Fortner – I don't see Mr. Choy in the room. But, at the next Commission meeting, we'll have Mr. Choy report on the activities of the Fair Housing Office, which was established within the last six months, who's total responsibility is to investigate charges of harassment, civil rights violations, and the things that Commissioner Clark spoke of. Just to address articles in the newspapers, and reports of harassment and non-responsiveness by the Housing Authority. The Housing Authority services somewhere around 15 to 20 thousand public housing residents. I cannot speak specifically to the cases that Mr. Shaw brought up, nor will I speak specifically about the case of Ms. Escobar. But let me just say anecdotally, we have run into situations where, people have come, asked for a transfer, and then when a unit becomes available, it's an area that that person cannot live in. With the resources that we have, we do the best that we can, to address those situations which come before us. Especially if it's in conjunction with recommendations from law enforcement, the D.A.'s office, or any other type documentation that can show in the file, that an emergency transfer is warranted. Speaking generally on that, like I said, Mr. Choy will be able to give a report, a full detailed report, at the next Commission meeting on the tasks, the responsibilities, the mission, and the procedures which the Office of Fair Housing, but like I said, which was newly established within the last six months, go through, and their sole responsibility is to investigate some of the things you are talking about.

As far as newspaper articles, the Housing Authority is in a position where reporters print what reporters print. And we do not respond specifically about cases

because there's a confidentiality issue as far as our residents. If you would like to talk about incidents where they said the Housing Authority didn't care about a rape victim, the situation there was, and we try and do our best to be as sensitive as possible when we have situations come up. But the facts of that case was that the person who was a rape victim, was not a participant of public housing, even though they were living in the unit. We try and do our best and remedy those situations, but we have regulations that we must follow. And the same kind of problems that this Housing Authority and other Housing Authorities have faced across the country, as far as helping people that did not go through the normal process of being on the waiting list, to receive assistance, we have to protect ourselves against those things. That being said, we take pride in the fact that we try and do our best, to work within the procedures, the policies, the regulations, the laws that we have, to make sure that we can assist everyone that we possibly can, with the resources that we have. And hopefully we can have a more free discussion after Mr. Choy gives his report.

Commissioner Clark – Just in follow up, if I may Mr. President, do residents have some place they can contact, within the Housing Authority, to voice their concerns about safety that will be responded to speedily that these people who are reaching out to us in these documents that we've received tonight, and at other meetings, seem to be indicating.

Executive Director Gregg Fortner – Like I said, anecdotally, if you want to talk about a case by case, specific case, we can give you the information on those cases, but it would not be appropriate to give you that information in a public forum.

Commissioner Clark – I'm concerned, however, that we learn about these case by case situations after we get sued. And that's when the Commission seems to be learning about how serious the problem had been for quite a long time. And so, as we move into our closed session, and then come back, this is a concern of mine, and I hope, and think it is a concern of my fellow Commissioners that we've been hearing it for a number of months, and seeing lawsuits, resulting in big judgments against the Housing Authority, and it doesn't appear to me, that we're reacting swiftly enough to some of these concerns voiced from members of our community.

Executive Director Gregg Fortner – And I understand your concerns. And I'm sure they are the concerns of the Commission and the Authority, that we respond as quickly as possible to residents concerns. But as I said before, lawsuits, complaints that are written by the Department of Justice, or whoever, the Housing Authority gets a chance to answer those complaints. So before passing judgment we should actually wait and see what the defense is that the Housing Authority has for those particular situations.

President Palega – Any other comments?

Commissioner Brown – Yes, I have one. In regards to the lawsuits and being on the Commission for only a short period of time, I know most of those lawsuits go a little ways back and is not really a reflection upon staff that are here now. But, I guess the

question that I have is, are there some procedures or some information given out to some of these tenant association presidents, or at their meetings of the steps that they can take? Is that something that you're doing, or is that something that you're looking into as of now?

Executive Director Gregg Fortner – As a condition of the Asian Law Caucus Consent Decree, we had to set up certain systems as far as training, as far as informational processes to make sure that our residents could tie in any kind of complaint line, for harassment, discrimination, or whatever. So those systems have been set up over the last year and a half. And that is something that Mr. Choy can report on at the next Commission meeting.

14. CLOSED SESSION

President Palega announced that the Commission had concluded its public agenda items and would go into closed session. A closed session was scheduled with the Executive Director, General Counsel, and outside counsel regarding the following matters:
(1) Employment Agreement between the Executive Director Gregg Fortner and San Francisco Housing Authority (Government Code §54597);
(2) *United States of America v. San Francisco Housing Authority* [United States District Court, Northern District, NO. C 02-4540; (Government Code §54956.9)]
(3) Anticipated Litigation: Disclosure of case name would jeopardize existing settlement negotiations (Government Code §54956.9) The commission went into closed session at 5:47 p.m.

15. RECONVENING OF THE COMMISSION MEETING

The Commission reconvened at 7:56 p.m. The Commission met in closed session to discuss the items noticed on the agenda. The Commissioners present in the closed session were President Palega, and Commissioners Smith, Lee, Brown, Clark, and Gans. Commissioner Clark added that during the closed session, he noticed that significant steps are being taken to deal with the issues of discrimination as voiced prior to the closed session.

16. ADJOURNMENT

There being no further business to come before the Commission, President Palega entertained a motion to adjourn the meeting. Commissioner Brown moved to adjourn the meeting. Commissioner Lee seconded the motion. The regularly scheduled meeting of September 26, 2002 was adjourned at 7:57 p.m.

Gregg Fortner, Secretary/Executive Director

Sululagi Palega, President

SAN FRANCISCO HOUSING AUTHORITY
440 Turk Street • San Francisco CA • 94102 • (415) 554-1200

NOTICE

THE REGULARLY SCHEDULED MEETING OF THE
SAN FRANCISCO HOUSING AUTHORITY COMMISSION
WILL BE HELD ON THURSDAY, OCTOBER 10, 2002 AT 4:00 P.M.
AT 440 TURK STREET, SAN FRANCISCO, CALIFORNIA, 94102

AGENDA
October 10, 2002

1. ROLL CALL

Sululagi Palega, Sr., President
Julie Lee, Vice President
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

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2. APPROVAL OF AGENDA

3. APPROVAL OF MINUTES

- September 26, 2002 Annual Commission Meeting
- September 26, 2002 Regular Commission Meeting

4. GENERAL COMMUNICATIONS

5. REPORT OF SECRETARY

- Report on role and responsibility of the SFHA Office of Fair Housing

6. COMMITTEE REPORTS

Diversity Committee - Nothing to Report
Finance Committee – Nothing to Report
Personnel Committee – Nothing to Report

7. REPORT OF GENERAL COUNSEL

8. TENANT REPRESENTATIVE REPORT:

   City Wide Council - Senior/Disabled
   Public Housing Tenants Association (PHTA)

9. PUBLIC COMMENTS ON AGENDA ITEMS: LIMITED TO 2 MINUTES

   NOTE: *The public will have the opportunity to comment on agenda items prior to any action taken by the Commission pursuant to the San Francisco Housing Authority Rules Governing Public Testimony adopted 2/23/95 as Resolution No. 4423. Prior to adjournment, after Item No. 11, the public will have the opportunity to comment on items not on the agenda.*

10. UNFINISHED BUSINESS

   (A) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CM PROS TO PROVIDE CONSTRUCTION COST ESTIMATING SERVICES ON AN AS-NEEDED, TASK ASSIGNMENT BASIS FOR ALL DEVELOPMENTS IN AN AMOUNT NOT-TO-EXCEED $120,000 OVER A TWO-YEAR PERIOD **[THIS ITEM WAS TABLED AT THE MEETING ON SEPTEMBER 26, 2002]**

11. NEW BUSINESS

   (A) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH STEINY AND COMPANY, INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE INSTALLATION OF EMERGENCY GENERATORS AT CAL 1-41, 430 TURK STREET, AND CAL 1-32, 1760 BUSH STREET FOR AN AMOUNT NOT-TO-EXCEED $448,160.00

12. PUBLIC COMMENTS ON ITEMS NOT ON AGENDA

13. COMMISSIONER'S COMMENT AND REPORT

14. ADJOURNMENT

GREGG FORTNER, Secretary/Executive Director

SAN FRANCISCO HOUSING AUTHORITY
440 TURK STREET • SAN FRANCISCO • CALIFORNIA • 94252 • (415) 554-2600

Commission Meeting

PACKET

October 10, 2002

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TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

Sululagi Palega, Sr., President
Julie Lee, Vice President
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

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FROM: GREGG FORTNER, SECRETARY / EXECUTIVE DIRECTOR

DATE: OCTOBER 10, 2002

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CM PROS TO PROVIDE CONSTRUCTION COST ESTIMATING SERVICES ON AN AS-NEEDED, TASK ASSIGNMENT BASIS FOR ALL DEVELOPMENTS IN AN AMOUNT NOT-TO-EXCEED $120,000 OVER A TWO-YEAR PERIOD

OVERVIEW

This Resolution will authorize the Executive Director to enter into a contract with the highest-ranked construction cost estimating consulting firm on an as needed, task assignment basis for all developments over the next two years. This contract will provide the Authority with a consultant who can prepare and certify the independent engineer's cost estimates required by 24 CFR Part 85.36 "Procurement", HUD Handbook 7460.8 REV 1 "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities" and the Authority's Procurement Policy and Procedure Manuals.

The contract with the current consultant, Hanscomb Inc., will soon be completed. During the two-year life of the current contract, twenty-nine separate tasks were completed. The various tasks included certifying the cost of construction contract modifications, a complete project cost estimate for remodeling common spaces and vacant units at Sunnydale, Potrero Terrace and Clementina, and the cost certifications required for grant applications such as the $3 million North Beach demolition grant received from HUD.

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OBJECTIVE

The Authority has planned and budgeted over $29 million in capital improvements through the FY01 and FY02 Capital Fund Programs. The objective of this Contract is to provide for the independent construction cost estimating services required by 24 CFR Part 85.36 and by HUD.

The task assignments may include:

1. Perform an analysis and estimate costs for all aspects of demolition, remodeling and new construction including associated site work;

2. Develop cost estimates for architectural, civil, electrical, landscaping, mechanical, structural, and all sub-trades involved therewith;

3. Prepare conceptual estimates at the Programming, Schematic Design, Design Development, and Construction Document (at 50% and 95% completion) Phases;

4. Provide Value Engineering services that include cost-saving design and specification recommendations based upon the conclusions reached in Items 1 through 3 above. Such recommendations shall also be based upon the Consultant's best judgement as a design professional familiar with the construction industry. The Consultant shall also be available to provide technical information and recommendations to the Architect/Engineer of record for the project;

5. Evaluate proposed contractor change order requests during the Construction Administration Phase, and assist the Local Authority in negotiations with the contractor; and

6. Attend meetings as required.

PROCUREMENT

The procurement process for the action covered by this Resolution meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1, "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws. The completed procurement process has been reviewed and approved by HUD.

Solicitation Process

Pre-approval of the RFP was obtained from Authority management prior to advertisement.

The RFP for was issued on May 28, 2002, with announcements to the SF City Outreach Services and the American Institute of Architects. It was posted on the SF City Bids and Contracts newsletter, the SF City web site, the SFHA web site, and the Small Business Administrations' Sub-Net web site. An advertisement was published in the SF Bayview, the Sing Tao Daily, and the Daily Pacific Builder. Finally, the announcement and proposals were mailed directly to 11 local professional firms and individuals.

Eight proposals were received by the June 25, 2002 deadline.

Evaluation Process for Stand-by Architectural Consulting Services
The evaluation process consisted of an evaluation of the written responses to the RFP to shortlist the highest-ranked firms for oral interviews. The three top-ranked firms were Hanscomb, Inc., CM Pros, and Rider Hunt Levett & Bailey.

Interviews were conducted with each firm on July 30, 2002, during which time the respondents discussed their proposals and clarified issues raised by the Evaluation Panel.

Evaluation Panel Members
Chairperson: Architect, Housing Development and Modernization, Senior Project Manager. Selected for her expertise in public housing design and construction, and consultant management and understanding of the Capital Grant Program.

Member: Architect, Housing Development and Modernization, Senior Project Manager. Selected for her expertise in public housing design and construction.

Member: Architect, Housing Development and Modernization, Construction Services Manager. Selected for his expertise in housing design and construction, and in consultant management.

Evaluation Criteria
Listed below are the evaluation criteria and their relative weight. Described in italics are the reasons for the different criteria. The Director of Contract/Procurement Division approved the criteria and weighting given to each, which is based on the Authority's standards for Request for Proposals questions and weighing.

No.	Criteria & Reason	Weight
A	Criterion: Firm's experience and ability to provide construction cost estimating services as outlined in the Scope of Work *This allows evaluation of the firm's technical expertise as measured by the quantity and type of work performed by the firm and its years in business.*	40 points
B	Criterion: Firm's past performance in providing construction cost estimating services, and prior esperience of the individuals to be assigned to this project. *This provides insight into the quality of the staff as measured by their professional degrees, licenses and experience with the type of work required by this contract. The local staff size and their credentials is a quantitative measure of their knowledge, and is indicative of the theirs ability to respond quickly with qualified staff.*	40 points

C	Criterion: Firm's commitment to meeting the Authority's Affirmative Action goals – MBE/WBE Participation and Resident Hiring.	40 points
	This allows evaluation of the firm's commitment to MBE/WBE participation and analysis of its detailed plan for resident hiring.	
	TOTAL	100 points

The Evaluation Panel reviewed the firms based on the above criteria in the RFP. The eight firms scored from 55.33 to 88.66 points. The five firms with the lowest scores were determined to not meet the technical needs of the Authority.

Best Value Ranking
After weighing all factors in the evaluation plan, the best combination of technical factors and price is CM Pros. CP Pros has extensive local experience including the Moscone Center Expansion ($160 Million), Oakland Highland Hospital ($80 Million) the 911 Service Upgrade ($40 Million), and numerous residential and apartment buildings for both public and private clients.

- **CM Pros was selected by the Evaluation Panel as the highest-ranking overall proposal. CM Pros is the most economical, has the second highest technical rating, and is capable of meeting the Authority's needs.**

Technical Ranking
After the reference checks and interviews, the final technical evaluation scoring for the three top-ranked firms was as follows:

- Hanscomb was ranked #1 with a score of 91.67 points.
- CM Pros was ranked #2 with a score of 84.17 points.
- Rider Hunt Levett & Bailey ranked #3 with a score of 81.60 points.

Price Ranking
Price was evaluated against the above technical evaluation criteria, based on the hourly billing rates included in the written proposals. Because there was a wide range of billing rates between the three top-ranked firms, a letter was sent to each of the three firms asking them to resubmit their best and final hourly billing rates. The hourly billing rates are confidential, and are provided in a separate document for the Commissioners.

- CM Pros was ranked #1 with the lowest hourly rates.
- Rider Hunt Levett & Bailey was ranked #2 the second lowest hourly rates.
- Hanscomb ranked #3 with the highest rates.

PRESENT SITUATION

The prior construction cost estimator consultant contract is nearing successful completion. The consultants provided cost estimates which allowed completion of over $19 million in emergency fund construction projects and over two dozen completed 504/ADA accessibility construction projects. The FY01 and FY02 Capital Funds Program includes numerous planned construction projects which require construction cost estimating services.

A sample of the planned capital work over for the next two years include waterproofing at Clementina Towers, waterproofing and structural repairs at Westbrook and Alice Griffith., and accessibility upgrade for various developments.

ANTICIPATED OUTCOMES

If this contract is funded the anticipated outcomes are:

- The Authority will receive quality construction cost estimating services for Capital Fund Program construction.
- The Authority will be able to comply with all Federal, State and City Codes and Regulations.
- The Authority will provide detailed budgets for improving physical conditions for residents.
- Residents will have opportunity for training and employment.

WHO BENEFITS

Residents benefit from having appropriate construction cost estimating services for all contracted and in-house construction work. Inadequately budgeted improvements can be detrimental to the health and well-being of residents.

BUDGET CONSIDERATIONS

Funding for this contract is immediately available within the 2001 and 2002 Capital Fund Programs. Hourly billing rates and reimbursable expenses have been negotiated and established at a competitive range.

RESIDENT EMPLOYMENT

CM Pros has agreed to hire public housing residents to meet or exceed the 25% requirement for non-construction contracts that exceed $50,000. They have met with the Authority's resident hiring specialist to seek out and interview qualified Authority residents for job opportunities in their office for technical trainees and/or administrative assistants. They are willing to participate with other Authority architect and engineer consultants to provide more extensive training for selected residents, and they will provide for over 325 hours of full-time employment of public housing residents for this contract.

CM Pros will be entering its first contract with the Authority.

MBE/WBE STATUS

CM Pros is Minority Business Enterprise certified by the San Francisco Human Rights Commission. It has a diverse workforce in its office and has provided an Affirmative Action Acknowledgement form that meets the requirements of Executive Order 11246.

RECOMMENDATION

I recommend approval of this Resolution.

(Prepared by Barbara Smith and Steve Haines, Housing Development and Modernization Department)

RESOLUTION NO._____
DATE ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CM PROS TO PROVIDE CONSTRUCTION COST ESTIMATING SERVICES ON AN AS-NEEDED, TASK ASSIGNMENT BASIS FOR ALL DEVELOPMENTS IN AN AMOUNT NOT-TO-EXCEED $120,000 OVER A TWO-YEAR PERIOD

WHEREAS, the San Francisco Housing Authority (Authority) requires consultants who can provide construction cost estimating services on an as-needed, task assignment basis; and

WHEREAS, the contract with the current construction cost estimating consultants will soon be completed; and

WHEREAS, the Authority has programmed capital work funded with the 2001 and 2002 Capital Fund Programs which will each require construction cost estimating services; and

WHEREAS, CM Pros has been selected through the Request for Proposals process as the most advantageous qualified firm for this work, with the lowest hourly billing rates; and

WHEREAS, funding is available within the 2001 and 2002 Capital Fund Programs budgets; and

WHEREAS, the procurement process for this contract meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1 "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws, and has been reviewed and approved by HUD.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is authorized to execute an as needed, task assignment basis contract with CM Pros for Construction Cost Estimating Services for all developments in an amount not-to-exceed of $120,000 over a two-year period.

2. This Resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

Carl L. Williams

CARL L. WILLIAMS, General Counsel

Date: 10-4-02

REVIEWED BY:

Gregg Fortner

GREGG FORTNER, Executive Director

Date: 10/4/02

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DATE: SEPTEMBER 30, 2002

TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

Sululagi Palega, Sr., President
Julie Lee, Vice President
Shirley Byrd, Commissioner
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner

FROM: GREGG FORTNER, SECRETARY/EXECUTIVE DIRECTOR

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH STEINY AND COMPANY, INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE INSTALLATION OF EMERGENCY GENERATORS AT CAL 1-41, 430 TURK STREET, AND CAL 1-32, 1760 BUSH STREET, FOR AN AMOUNT NOT-TO-EXCEED $448,160.00.

OVERVIEW

This resolution authorizes the Executive Director to execute a contract with Steiny and Company, Inc. to provide construction services for the Installation of Emergency Generators at CAL 1-41, 430 Turk Street, and CAL 1-32, 1760 Bush Street. Pre-approval of the bid package was obtained from Authority management prior to publicly issuing the bid packages. The Authority issued Solicitation No: 02-620-IFB-039 on August 26, 2002.

PROCUREMENT

The procurement process for the action covered by this Resolution meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1, "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws.

The Authority advertised for bidders and outreached to potential bidders as follows:

Past Bidders List, Contractors Blue Book & Yellow Pages: The Authority e-mailed, faxed or mailed its "Request for Bids" to 42 individual contractors listed in the Authority's Past Bidders List, the Contractors Blue Book and telephone directory yellow pages.

HRC: The Authority e-mailed, faxed or mailed its "Request for Bids" to 38 MBE/WBE contractors listed by the San Francisco Human Rights Commission.

Newspapers: The Authority publicly advertised its "Request for Bids" in the following newspapers:

- Daily Pacific Builder (trade publication) 8/26/02 through 9/6/02
- San Francisco Bay View (African American community) 8/28/02 through 9/04/02
- Sing Tao Daily (Asian American Community) 8/28/02 through 8/30/02

Additional Newspapers: The Authority e-mailed its "Request for Bids" to the San Francisco Board of Supervisors office who placed the advertisement in the following community newspapers:

- San Francisco Bay View (African American community),
- El Latino (Hispanic American community),
- El Reportero (Hispanic American community),
- Asian Week (Chinese American community),
- Chinese Times (Chinese American community),
- San Francisco Bay Times (Lesbian/Gay/Bi-sexual/Transgender community),
- San Francisco Spectrum (Lesbian/Gay/Bi-sexual/Transgender community).

Public Agency Websites: The Authority e-mailed its "Request for Bids" to the following agencies who placed the advertisement in their website bulletin boards:

- City and County of San Francisco (City Purchasing Department),
- SBA
- Sub-Net
- Bid-Net
- MBDA

Builders Exchanges: The Authority sent its "Request for Bids", Plans and Specifications to the following Builders Exchanges, where the documents are available to Contractors for review and bid preparation:

- Dodge Scan/Daily Pacific Builder,
- San Francisco Builders Exchange,
- Peninsula Builders Exchange,
- Builders Exchange of Alameda, County
- Santa Clara Builders Exchange,
- Contra Costa Builders Exchange
- BV2HP Builders Exchange
- MECA Builders Exchange

- Marin Builders Exchange
- Building Exchange of Stockton
- Construction Data Plan Room
- Solano-Napa Builders Exchange
- Building Trades Council

The Authority issued Solicitation No. 02-620-IFB-039 to seven (7) potential bidders. At the pre-bid site inspection on September 11,2002, eleven (11) contractors, the Authority's Consultants and Authority staff were present.

The Authority received two (2) sealed responsible and responsive bids for the work, which were publicly opened and read aloud on September 24, 2002. The submitted bids are as follows:

#	BIDDER	BID	MBE / WBE	25% RES. HIRE	SUBCONTRACTOR	MBE / WBE	SOURCE OF BID AWARENESS
1	Steiny and Company, Inc.	$448,160	Yes	Yes	none	-	SFHA direct solicitation
2	A.S.F. Electric, Inc.	$475,000	-	-	-	-	S.F.H.A. direct solicitation

Per HUD-5369 Instructions to Bidders, the contract award is based on the lowest, responsive and responsible bid. Therefore no panel was required to evaluate qualifications of various bidders for selection. Based on the above bids, Steiny and Company, Inc., is the lowest, responsive and responsible bidder. The low bid is 18% less than the consultant's cost estimate and budgeted amount.

OBJECTIVES

The objectives of the Resolution is to authorize the Executive Director to enter into contract with the lowest responsive, responsible bidder for construction of, but not limited to, the Scope of Work Listed below:

1. The work includes general construction, including all structural, mechanical, and electrical construction required to complete the work.

2. The work of this contract consists of furnishing all labor, materials, equipment, and services necessary and incidental to the completion of all work for the Installation of Emergency Generators as specified and intended in the Construction Documents.

PRESENT SITUATION

The installation of emergency generators in senior and family high-rise buildings is mandated by code. All emergency building loads are connected to the emergency generator. These loads are: All emergency lighting in corridors, lobbies, and other public spaces; Fire Alarm System; Elevators; and individual dwellings that have the need for life support systems.

ANTICIPATED OUTCOMES

The installation of Emergency Generators will improve the life safety aspect of the Authority's high-rise buildings, it will eliminate the continuous maintenance of battery back-up lighting fixtures and appliances and it will reduce the battery replacement and maintenance cost in the Authority's operating expenses.

WHO BENEFITS

As stated above, the Authority will benefit greatly by having two facilities with new emergency Generators that will reduce operating expenses and eliminate maintenance costs.

The residents of these two facilities will benefit from the new and improved life-safety building environment the new Emergency Generators will provide.

The project will also provide employment for public housing residents under the resident hiring requirements.

BUDGET CONSIDERATIONS

The Boiler and Associated Equipment Replacement work will be funded by the Year 2000 CFP (710).

RESIDENT EMPLOYMENT

Steiny and Company, Inc. is committed to providing, at a minimum, 25 percent resident hiring on this job. Steiny and Company, Inc. estimates that the project will take 1,500 hours to complete. Resident employees will perform 375 hours or more of the work. The Contractor will provide one full time position for residents.

MBE/WBE STATUS

This Contractor is a Union Contractor, and an MBE/WBE Contractor, and will not subcontract to any subcontractors.

RECOMMENDATION

Steiny and Company, Inc. has submitted a reasonable bid amount and funding is available through the Authority's Year 2000 CFP (710). I recommend adoption of the Resolution.

(Prepared by Basil Nicolaou, and Bob Dahlstrom)

RESOLUTION NO._____
DATE ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH STEINY AND COMPANY, INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE INSTALLATION OF EMERGENCY GENERATORS AT CAL 1-41, 430 TURK STREET, AND CAL 1-32, 1760 BUSH STREET FOR AN AMOUNT NOT-TO-EXCEED $448,160.00.

WHEREAS, the San Francisco Housing Authority (Authority) received two (2) acceptable bids for the Installation of Emergency Generators at CAL 1-41, 430 Turk Street, and CAL 1-32, 1760 Bush Street as follows:

Bidder		Bid Amount
1.	Steiny and Company, Inc.	$448,160.00
2.	A.S.F. Electric, Inc.	$475,000.00

WHEREAS, Steiny and Company, Inc. has submitted a bid of $448,160.00 to provide construction services for the Installation of Emergency Generators at CAL 1-41, 430 Turk Street, and CAL 1-32, 1760 Bush Street; and

WHEREAS, the Department of Housing and Urban Development (HUD) has funded the Authority under the 2000 CFP (710) program to provide these construction services at CAL 1-41, 430 Turk Street, and CAL 1-32, 1760 Bush Street; and

WHEREAS, the procurement process for this contract meets the procurement standards of 24 CFR 85.36 "Procurement", HUD Handbook 7460.8 REV 1 "Procurement Handbook for Public Housing Agencies and Indian Housing Authorities", the San Francisco Housing Authority Procurement Policy Manual and the State of California and local laws; and

WHEREAS, the Authority has evaluated the bid and determined that Steiny and Company, Inc., is the lowest responsive and responsible bidder; and

WHEREAS, all additional relevant documents submitted by the bidder have been reviewed and found to be in order:

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is authorized to execute a contract with Steiny and Company, Inc. for Construction Services for the Installation of Emergency Generators at CAL 1-41, 430 Turk Street; and CAL 1-32, 1760 Bush Street in an amount not-to-exceed $448,160.00.
2. This Resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

Carl L. Williams

CARL L. WILLIAMS, General Counsel

Date: 10-4-02

REVIEWED BY:

GREGG FORTNER, Executive Director

Date: 10/4/02

HOUSING AUTHORITY
OF THE
CITY AND COUNTY OF SAN FRANCISCO

Minutes of Regular Meeting
Thursday, October 10, 2002

440 Turk Street
San Francisco, California

The Housing Authority of the City and County of San Francisco met in a regularly scheduled meeting at 440 Turk Street, San Francisco, California on Thursday, October 10, 2002, at 4:00 p.m.

President Sululagi Palega called the meeting to order at 4:17 p.m.

1. ROLL CALL

Roll call found the following members to be:

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PRESENT: *Sululagi Palega, Sr., President*
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner
Neola Gans, Commissioner

ABSENT (Excused): *Julie Lee, Vice President*
A quorum was present.

ALSO PRESENT: *Mr. Gregg Fortner, Executive Director/Secretary*
Mr. Carl L. Williams, General Counsel

2. APPROVAL OF AGENDA

Commissioner Boyd moved to approve the agenda and Commissioner Clark seconded the motion. The motion was carried by a unanimous vote.

3. APPROVAL OF MINUTES

President Palega stated that there were two sets of minutes to be approved, the September 26, 2002 Annual Commission Meeting minutes and the minutes of the September 26, 2002 Regular Commission Meeting.

Commissioner Clark moved to approve the minutes of the September 26, 2002 Annual Commission Meeting. Commissioner Smith seconded the motion. The motion to approve the minutes of the September 26, 2002 Annual Commission meeting was carried by a unanimous vote.

Commissioner Smith moved to approve the minutes of the September 26, 2002 Regular Commission Meeting. Commissioner Gans seconded the motion. The motion to approve the minutes of the September 26, 2002 Regular Commission Meeting was carried by a unanimous vote.

4. GENERAL COMMUNICATIONS

Executive Director Gregg Fortner reported that the Log of Commissioners' Requests had been updated. Mr. Fortner also informed the Commission of the Housing Television Network. This is an interactive network used for employee training at the Egbert office. Mr. Fortner included a schedule of the October training sessions and invited the Commissioners to attend. Mr. Fortner stated that the schedules would be given to the Commissioners each month.

5. REPORT OF SECRETARY

Executive Director Gregg Fortner introduced Buddy Choy to report on the work of the Office of Fair Housing. Buddy Choy, Deputy Administrator of Management and Operations of the Office of Fair Housing stated that his primary responsibility was to complete the mandated tasks as outlined in the Consent Decree of the Truong v. SFHA case. The Consent Decree ended on September 30, 2002, and the final report of the Court Appointed Monitor, George Williams validates the progress of the SFHA. The Office of Fair Housing had broadened its mandate to include all civil rights activities within the Authority. Its mission is to ensure that the SFHA administers all aspects of its housing without regard to race, color, gender, religion, ethnicity, national origin, disability, or sexual orientation. Mr. Choy continued his report stating that a total of 21 complaints have been officially filed and investigated since the inception of the office. Of the 21 complaints, none have proven that a resident's civil rights had been violated. The Civil Rights Information Line is operational and information can be obtained in English, Russian, Spanish, Cantonese and Vietnamese during daytime working hours. Mr. Choy displayed an example of the sign for the Civil Rights Information Line that will be posted in strategic locations at the development sites.

President Palega asked Mr. Choy to specify where the signs would be posted. Mr. Choy answered that the signs would be posted in the property offices and places where the residents tend to congregate, such as the community centers, and outside the building. President Palega recommended that the signs be posted in laundry rooms as well.

The Office of Fair Housing's staff is currently being trained on the Civil Rights Policy by Mr. Choy. This information will then be disseminated to the residents and staff through a training program. The Office of Fair Housing has also established a 30 day response procedure for the review of alleged civil rights incidents, and a Community Advisory Body that meets quarterly to make recommendations to the Authority on issues related to fair housing, civil rights, and diversity. A formal public safety partnership is being

developed between the SFHA and the SFPD to enhance training opportunities, and monitor and track public safety services at the Authority's housing developments.

Commissioner Clark asked what was the date of the letter from George Williams, and whether it was before or after, a complaint was filed by the Department of Justice. Mr. Choy responded that the date of the letter was September 23, 2002 and it was after the complaint was filed.

President Palega suggested that the times an individual can receive assistance be specified on the signs that will be posted. Commissioner Brown requested a copy of the report given by Mr. Choy and Commissioner Clark requested a copy of George Williams' letter to the court.

6. COMMITTEE REPORTS

Diversity Committee
There was no report from the Diversity Committee.

Finance Committee
There was no report from the Finance Committee.

Personnel Committee
There was no report from the Personnel Committee.

Commissioner Smith asked the Commissioners for suggestions of agenda items for the Diversity Committee meeting.

7. REPORT OF GENERAL COUNSEL

General Counsel Carl Williams reported that there was no closed session scheduled for that day's meeting. Furthermore, materials had been distributed to the Commissioners regarding eviction proceedings and a closed session will be scheduled for the October 24, 2002 Commission meeting to discuss the information.

8. TENANT REPRESENTATIVE REPORT

City Wide Council - Senior/Disabled
President William Vitalie reported that at their next general meeting on October 21, 2002, Executive Director Gregg Fortner will report on the positive aspects and the challenges facing the City Wide Council – Senior/Disabled.

Public Housing Tenants Association (PHTA)

There was no report from the Public Housing Tenants Association.

9. PUBLIC COMMENTS ON AGENDA ITEMS: LIMITED TO 2 MINUTES

NOTE: *The public will have the opportunity to comment on agenda items prior to any action taken by the Commission pursuant to the San Francisco Housing Authority Rules Governing Public Testimony adopted 2/23/95 as Resolution No. 4423. Prior to adjournment, after Item No. 11, the public will have the opportunity to comment on items not on the agenda.*

There were no public comments on agenda items.

10. UNFINISHED BUSINESS:

RESOLUTION No. 5057

(A) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH CM PROS TO PROVIDE CONSTRUCTION COST ESTIMATING SERVICES ON AN AS-NEEDED, TASK ASSIGNMENT BASIS FOR ALL DEVELOPMENTS IN AN AMOUNT NOT-TO-EXCEED $120,000 OVER A TWO-YEAR PERIOD

Steve Haines, Construction Services Manager for the Housing Development and Modernization Department stated that the information specifying and comparing the hourly rates and the evaluation committee's ranking was included in the package sent to the Commissioners on Friday. Mr. Haines then entertained any further questions.

President Palega expressed his appreciation for the requested information and asked what was the expiration date of the current contract. Mr. Haines replied that the contract is due to expire when the funds are depleted or December 31, 2002 or January 31, 2002. Mr. Haines was unsure of the precise date of expiration.

Commissioner Boyd asked how the bidding of the old contract compared to the new bidders. Mr. Haines stated that the bids that came in were slightly below the cost estimate. Mr. Fortner further explained that the cost estimates are based on the previous year's budget and spending. Commissioner Boyd also asked how many people will be involved in the tasks of the prospective vendor. Mr. Haines replied that it would depend on the size of the given assignment. Commissioner Boyd inquired if there would be resident employees. Mr. Haines stated that CM Pros has committed to meeting or exceeding the resident hiring requirement. The resident employees will work a total of 325 full time hours for CM Pros over the course of the two-year contract. The same employee will cross train to work for another company to enhance and extend their employment experience.

In response to Commissioner Palega's question, Mr. Haines stated that anytime a contract exceeds $50,000.00 the vendor is subject to the resident hiring requirement. President Palega expressed that his understanding was that all companies that enter into contract with the SFHA are subject to the resident hiring requirement. General Counsel Carl

Williams echoed President Palega's comments and added that all contracts require resident hiring and if it is not practical to do so, then the reasons should be stated in the memorandum. Mr. Fortner stated that a report would be given at the next meeting regarding the specifics of the contract requirements for resident hiring. Mr. Fortner stated that he believed that the goal was to include provisions for resident hiring in all contracts, but the all contracts $50,000.00 and above required resident hiring.

Commissioner Clark moved to approve Resolution No. 5057 and Commissioner Boyd seconded the motion. Resolution No. 5057 was passed by a unanimous vote.

11. NEW BUSINESS

RESOLUTION No. 5058

(A) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH STEINY AND COMPANY, INC. TO PROVIDE CONSTRUCTION SERVICES FOR THE INSTALLATION OF EMERGENCY GENERATORS AT CAL 1-41, 430 TURK STREET, AND CAL 1-32, 1760 BUSH STREET FOR AN AMOUNT NOT-TO-EXCEED $448,160.00

Barbara Smith, Housing Development and Modernization Administrator stated that the Commission's approval of this resolution would enable the SFHA to proceed in obtaining two emergency generators. One would serve 430 and 440 Turk Street, and the other would serve 1760 Bush Street. An extensive procurement process was administered with solicitations in various newspapers and seven invitations to bid were sent to potential bidders. At the pre-bid inspection, eleven bidders responded and two sealed bids were received. The low bidder was Steiny and Company, Inc. Ms. Smith reported that this company is a MBE/WBE company, and has agreed to exceed the 25% resident hiring requirement. If approved, Steiny has agreed to extend the warranty on the parts and labor to two years. The SFHA maintenance department will perform the biannual testing of the generators. Any problems found during the warranty period will be differed to Steiny. This bid is below the cost estimate and the budget reserved for the generators for these two buildings.

President Palega asked if this contract was subject to the SFHA building and trades approval. Mr. Fortner affirmed his question and added that the concern for the generators developed after the rolling blackouts of last year during the energy crisis. President Palega stated that even though this bid was below the cost estimate, he did not expect to see requests for change orders regarding this work.

Commissioner Clark asked Ms. Smith to explain the memorandum's statement that the "pre-approval of the bid package was obtained prior to publicly issuing the bid package." Ms. Smith responded that the bid packages are sent to HUD for review before they are publicly issued and it was approved. Commissioner Clark also asked if the two companies that submitted bids were directly solicited by the SFHA. Ms. Smith replied

that the two companies that responded were the result of all of the outreach done during the procurement process. She was unsure as to whether both companies received a direct invitation.

Commissioner Boyd asked how many units would receive the service of these generators. Ms. Smith replied that Bush Street has 108 units and 430 Turk Street has 89 units. In addition 440 Turk Street will receive the service of the generator for 430 Turk Street. In response to Commissioner Boyd's further inquiry of the maintenance, Ms. Smith stated that the generators self-test every 20 minutes, and that the maintenance department will test the generators twice a year. Ms. Smith affirmed Commissioner Boyd's question that the generators are diesel powered.

Commissioner Boyd moved to approve Resolution No. 5058 and Commissioner Clark seconded the motion. The motion to approve Resolution No. 5058 was carried by a unanimous vote.

Executive Director Gregg Fortner interjected that David Nesbett, a long time resident of Rosa Parks had passed away. The memorial services would be held at the St. Peter and Paul Church, 6:30 p.m., October 14, 2002. A moment of silence was observed.

12. PUBLIC COMMENTS ON ITEMS NOT ON AGENDA

Sheree LeBlanc, of 1000 Connecticut, expressed her frustrations about not being transferred in a timely manner. She has a disability and is currently in fear of going home because of an incident that happened near her home. Ms. LeBlanc stated that she and her son had been living from house to house and cannot go on like this. Furthermore, Ms. LeBlanc said that she has all the necessary documentation, including police reports, to execute a transfer. These materials were submitted to the staff of the SFHA, but when she called, the SFHA informed her that her paperwork had been lost. Ms. LeBlanc stated that she had finally received some answers today. President Palega and Mr. Fortner asked Ms. LeBlanc to talk with Beverli Marshall the Director of Housing Management about expediting her transfer.

Commissioner Clark asked Ms. LeBlanc to detail the incident she was referring to. She explained that on August 24, 2002 her neighbor called and informed her that there was a man at her door with a gun. While this man, whom she did not know was trying to get in, he was arrested. Shortly thereafter, the man's cousins broke out all of her windows, and she hasn't been home since. Ms. LeBlanc stated that drugs are being sold in the hallways of her building and she doesn't feel safe to go home and get her things without an escort. President Palega assured Ms. LeBlanc that Jim Williams, Director of Security or Executive Director Gregg Fortner would see to it that she had escorts to retrieve her belongings.

Roanae Kent a resident of Alice Griffith stated that she was coming before the Commission seeking assistance in her situation. In June of 2002, her five year old son

witnessed a shooting and robbery and they have been harassed every since. She reported that her car window had been broken and her back door busted in. In addition Ms. Kent explained that she had submitted police reports and letters from the District Attorney, and different inspectors to the SFHA staff, yet the assistance she was requesting had not been received. Ms. Kent pleaded for help as she is in fear of returning home. President Palega referred Ms. Kent to the staff to resolve the problem.

13. COMMISSIONER'S COMMENT AND REPORT

President Palega acknowledged that he had received the letter from HUD regarding an account that was now available for use. He also stated that the Commissioners would have appreciated a call to remind them about the Ground Breaking Ceremony at North Beach. President Palega commented that it was a great day and it was good to hear the positive remarks of the community and businesses.

Commissioner Clark asked if the comments of Ms. Kent and Ms. LeBlanc should be referred to the Office of Fair Housing or another department of the Authority. Mr. Fortner responded that due to confidentiality issues, staff will submit a report to the Commission updating the status of these two residents with respect to what has been done, and what will be done. Commissioner Clark remarked that he believes that there are many residential victims and/or witnesses that are suffering in the community. He stated that he would like the SFHA to be in a position to enhance the quality of life for the SFHA residents. Mr. Fortner then commented that the SFHA works with the SFPD to relocate witnesses or victims that live in public housing.

14. ADJOURNMENT

There being no further business to come before the Commission, President Palega entertained a motion to adjourn the meeting. Commissioner Boyd moved to adjourn the meeting. Commissioner Clark seconded the motion. The regularly scheduled meeting of October 10, 2002 was adjourned at 4:50 p.m.

Gregg Fortner, Secretary/Executive Director

Sululagi Palega, President

SAN FRANCISCO HOUSING AUTHORITY
440 Turk Street • San Francisco CA • 94102 • (415) 554-1200

NOTICE

THE REGULARLY SCHEDULED MEETING OF THE
SAN FRANCISCO HOUSING AUTHORITY COMMISSION
WILL BE HELD ON THURSDAY, OCTOBER 24, 2002 AT 4:00 P.M.
AT 440 TURK STREET, SAN FRANCISCO, CALIFORNIA, 94102

AGENDA
October 24, 2002

1. ROLL CALL

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Sululagi Palega, Sr., President
Julie Lee, Vice President
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

2. APPROVAL OF AGENDA

3. APPROVAL OF MINUTES

- October 10, 2002 Regular Commission Meeting

4. GENERAL COMMUNICATIONS

5. REPORT OF SECRETARY

- Commending Billy Reed on his retirement after 24 years of service

6. COMMITTEE REPORTS

Diversity Committee - Nothing to Report
Finance Committee – Nothing to Report
Personnel Committee – Nothing to Report

7. REPORT OF GENERAL COUNSEL

- Consideration of possible changes to regular meeting schedule for the second meetings in November and December, 2002.

8. TENANT REPRESENTATIVE REPORT:

City Wide Council - Senior/Disabled
Public Housing Tenants Association (PHTA)

9. PUBLIC COMMENTS ON AGENDA ITEMS: LIMITED TO 2 MINUTES

NOTE: *The public will have the opportunity to comment on agenda items prior to any action taken by the Commission pursuant to the San Francisco Housing Authority Rules Governing Public Testimony adopted 2/23/95 as Resolution No. 4423. Prior to adjournment, after Item No. 11, the public will have the opportunity to comment on items not on the agenda.*

10. UNFINISHED BUSINESS - None

11. NEW BUSINESS

(A) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO RENEW THE SAN FRANCISCO HOUSING AUTHORITY'S GENERAL LIABILITY INSURANCE AND EXECUTE A PURCHASE ORDER FOR PAYMENT TO THE HOUSING AUTHORITY RISK RETENTION GROUP IN AN AMOUNT NOT TO EXCEED $1,677,744.00

(B) RESOLUTION AUTHORIZING THE EXECUTION OF AN INSURANCE POLICY WITH AND PAYMENT TO THE UNIGARD INSURANCE COMPANY FOR FLEET INSURANCE COVERAGE FOR FISCAL YEAR 2002-2003 IN AN AMOUNT NOT TO EXCEED $257,890.00

(C) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A PURCHASE ORDER TO PAY THE HOUSING AUTHORITY RISK RETENTION GROUP FOR GENERAL LIABILITY DEDUCTIBLES FOR THE 2002-2003 POLICY YEAR IN AN AMOUNT NOT TO EXCEED $300,000.00

(D) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO RENEW THE SAN FRANCISCO HOUSING AUTHORITY'S PROPERTY INSURANCE AND EXECUTE A PURCHASE ORDER FOR PAYMENT TO THE HOUSING AUTHORITY PROPERTY INSURANCE COMPANY IN AN AMOUNT NOT TO EXCEED $676,800.00

(E) RESOLUTION APPROVING THE WRITE-OFF OF VACATED TENANT ACCOUNTS RECEIVABLE IN THE AMOUNT OF $451,041.00 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002

(F) RESOLUTION AFFIRMING THAT THE SAN FRANCISCO HOUSING AUTHORITY EXECUTE AN EMPLOYMENT AGREEMENT WITH EXECUTIVE DIRECTOR GREGG FORTNER; AND RESOLUTION AUTHORIZING THE EXECUTION OF THE EMPLOYMENT AGREEMENT BETWEEN THE SAN FRANCISCO HOUSING AUTHORITY AND EXECUTIVE DIRECTOR GREGG FORTNER. **[ACTION ON THIS ITEM WILL TAKE PLACE WHEN THE COMMISSION RECONVENES IN PUBLIC SESSION FOLLOWING THE CLOSED SESSION]**

12. PUBLIC COMMENTS ON ITEMS NOT ON AGENDA

13. CLOSED SESSION

A closed session is scheduled with the Executive Director, General Counsel and outside counsel under Government Code 54957 regarding the Employment Agreement between the Executive Director and the San Francisco Housing Authority; also consultation with General Counsel and Executive Director regarding ongoing litigation procedures and policies regarding enforcement of San Francisco Housing Authority Residential Dwelling Lease. The specific identification of pending cases is not disclosed to avoid jeopardizing possible resolution and to avoid prejudicing the position of the SFHA; and consultation with the Executive Director and General Counsel regarding pending litigation

14. RECONVENING OF THE COMMISSION MEETING

15. COMMISSIONER'S COMMENT AND REPORT

16. ADJOURNMENT

GREGG FORTNER, Secretary/Executive Director

10/10/02

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Commission Meeting

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October 24, 2002

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AT 440 TURK STREET, SAN FRANCISCO, CALIFORNIA, 94102

AGENDA
October 24, 2002

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Sululagi Palega, Sr., President
Julie Lee, Vice President
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

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2. APPROVAL OF AGENDA

3. APPROVAL OF MINUTES

- October 10, 2002 Regular Commission Meeting

4. GENERAL COMMUNICATIONS

5. REPORT OF SECRETARY

- Commending Billy Reed on his retirement after 24 years of service

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Public Housing Tenants Association (PHTA)

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11. NEW BUSINESS

(A) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO RENEW THE SAN FRANCISCO HOUSING AUTHORITY'S GENERAL LIABILITY INSURANCE AND EXECUTE A PURCHASE ORDER FOR PAYMENT TO THE HOUSING AUTHORITY RISK RETENTION GROUP IN AN AMOUNT NOT TO EXCEED $1,677,744.00

(B) RESOLUTION AUTHORIZING THE EXECUTION OF AN INSURANCE POLICY WITH AND PAYMENT TO THE UNIGARD INSURANCE COMPANY FOR FLEET INSURANCE COVERAGE FOR FISCAL YEAR 2002-2003 IN AN AMOUNT NOT TO EXCEED $257,890.00

(C) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A PURCHASE ORDER TO PAY THE HOUSING AUTHORITY RISK RETENTION GROUP FOR GENERAL LIABILITY DEDUCTIBLES FOR THE 2002-2003 POLICY YEAR IN AN AMOUNT NOT TO EXCEED $300,000.00

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15. COMMISSIONER'S COMMENT AND REPORT

16. ADJOURNMENT

GREGG FORTNER, Secretary/Executive Director

A

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October 14, 2002

TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

Sululagi Palega, Sr., President
Julie Lee, Vice-President
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

FROM: Gregg Fortner, SECRETARY/EXECUTIVE DIRECTOR

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO RENEW THE SAN FRANCISCO HOUSING AUTHORITY'S GENERAL LIABILITY INSURANCE AND EXECUTE A PURCHASE ORDER FOR PAYMENT TO THE HOUSING AUTHORITY RISK RETENTION GROUP IN AN AMOUNT NOT TO EXCEED $1,677,744.00

OVERVIEW:

The San Francisco Housing Authority's ("the Authority") commercial general liability insurance coverage is up for renewal for the 2002-2003 policy period with the Housing Authority Risk Retention Group.

Pursuant to Section 305, Part Two of the Annual Contributions Contract dated August 27, 1964, as amended between the Housing Authority and City and County of San Francisco and the U.S. Department of Urban Development ("HUD"), the Authority is required to insure its interest against risks associated with its particular type of operation, i.e., low income housing.

In the 1980's when the Authority solicited insurance coverage from the privet sector the market had hardened, making it virtually impossible to obtain the necessary coverage. Seeing the need, Congress enacted a law entitled Risk Retention Amendments of 1986 ("the Act"), codified at 15 U.S.C., sections 3901-3906, authorizing the formation of risk retention groups by governmental entities such as Public Housing Authorities ("PHAs").

The Authority, by Resolution No. 3006, dated May 28, 1987, accepted membership into the Housing Authority Risk Retention Group ("HARRG"), a nationwide insurance provider meeting the requirements of the Act. The Authority has maintained a relationship with HARRG for the past fifteen years.

This year in an effort to reduce insurance cost and obtain quotes from insurance companies in the private market, notices is interest were sent to four (4) major brokerage firms. The firms were Willis Insurance Services, Brown & Brown Insurance Services, Aon Risk Services and Pennbrook Insurance Services. The Authority received responses from only two of the companies, Willis Insurance and Aon Risk Services.

OBJECTIVE:

The objective is to obtain general liability insurance coverage for the 2002-2003 policy period that is most advantageous and affordable for the Authority.

PRESENT SITUATION:

Presently, HARRG provides coverage to the Authority in the following areas:

- Property Damage & Bodily Injury - $5 mil/occurence/$5 mil/aggregate; $25k deductible
- Public Officials - $1 mil/occurrence/$1 mil/aggregate; $25k deductible
- Employment Practices - $1 mil/occurrence/$2 mil/aggregate; $25k deductible
- Lead-Based Paint - $500k/occurrence/$500k/aggregate;$25k deductible
- Law Enforcement - $1 mil/$1mil; $25k deductible
- Employee Benefits - $25k/$50; $1k deductible
- Non-Owned & Hired Auto - $1 mil/$1 mil; $0 deductible

The premium for the expiring coverage was $1,425,454.00. The Authority's current general liability insurance with HARRG was due to expire on October 1, 2002, however, the SFHA received a one-month extension of coverage pending the adoption of this resolution.

HARRG has submitted a renewal quote for the same coverage amounts, however, with higher deductible limits for this premium year. This year's quote provides coverage as follows:

- Property Damage & Bodily Injury - $5 mil/occurence/$5 mil/aggregate; $25k deductible
- Public Officials - $1 mil/occurrence/$2 mil/aggregate; $50k deductible
- Employment Practices - $1 mil/occurrence/$1 mil/aggregate; $50k deductible
- Lead-Based Paint - $500k/occurrence/$500k/aggregate;$25k deductible
- Law Enforcement - $1 mil/$1mil; $25k deductible
- Employee Benefits - $25k/$50; $1k deductible
- Non-Owned & Hired Auto - $1 mil/$1 mil; $0 deductible

The increased deductible amounts are for the Public Officials and Employment Practices coverages. The SFHA has experienced an increase in the number of employment practices claims submitted over the past few years.

The total premium cost for this policy period is $1,677,744. The insurance industry, worldwide, has advised consumers that due to the increased number of unforeseen natural disasters and, the 911 tragedy, rates have increased, in some cases more than 100%. This year's premium has increased by approximately 15% over last year's premium.

Neither Aon Risk Services nor Willis Insurance Services were able to obtain quotes for the general liability coverage from the private market.

WHO BENEFITS:

The SFHA benefits from renewing with HARRG because it will, first and foremost, have insurance coverage it would not otherwise be able to obtain on the private market. In addition, HARRG provides addition services such as network training for staff and residents, risk management services and underwriting services for special events. HARRG also has a professional staff available to assist with issues that are unique to the housing industry.

BUDGET:

Funding for this years insurance coverage is available as part of the Authority's 2002-2003 Low Income Operating Budget and Section 8 Budget.

RECOMMENDATION:

It is recommended that the Authority renew its general liability coverage with the Housing Authority Risk Retention Group for the 2002-2003 policy period.

(Prepared by Victoria Adams through Carl L. Williams, Office of the General Counsel)

RESOLUTION NO.: _____
DATE ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO RENEW THE SAN FRANCISCO HOUSING AUTHORITY'S GENERAL LIABILITY INSURANCE AND EXECUTE A PURCHASE ORDER FOR PAYMENT TO THE HOUSING AUTHORITY RISK RETENTION GROUP IN AN AMOUNT NOT TO EXCEED $1,677,744.00

WHEREAS, Section 305, Part Two of the Annual Contributions Contract dated August 27, 1964, as amended, between the Housing Authority of the City and County of San Francisco ("the Authority") and the U.S. Department of Housing and Urban Development ("HUD") requires the Authority to insure its interest against risks associated with its particular type of operations; and

WHEREAS, Congress enacted a law entitled Risk Retention Amendments of 1986 ("the Act"), codified at 15 U.S.C., sections 3901-3906, authorizing the formation of risk retention groups by governmental entities such as Public Housing Authorities ("PHAs") to cover liabilities associated with such risks; and

WHEREAS, the HUD Appropriations Act recognized "the Act" by permitting PHAs to secure insurance from non-profit insurance entities that are controlled and owned by PHAs without regard to competitive solicitation procedures;

WHEREAS, the Housing Authority Risk Retention Group ("HARRG") is a nationwide insurance provider meeting the requirements of the HUD Appropriations Act; and

WHEREAS, the Authority, by Resolution No. 3006, dated May 28, 1987, accepted membership into HARRG for the provision of general liability; and

WHEREAS, the Authority's policy was due to expire on October 1, 2002, however, coverage has been extended until November 1, 2002; and

WHEREAS, in an effort to reduce the Authority's premium and obtain additional quotes for the 2002-2003 policy period, the Authority completed a solicitation process using four major brokerage firms; and

WHEREAS, HARRG provided the only quote received by the Authority for the 2002-2003 policy year; and

WHEREAS, payment for this coverage is $1,677,744.00; and

WHEREAS, funding for the 2002-2003 coverage is available as part of the Authority's 2002-2003 Low Income Operating Budget and its Section 8 budget;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is hereby authorized to renew coverage with the Housing Authority Risk Retention Group and execute a purchase order to pay the same in an amount not to exceed $1,677,744.00.

2. This resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

CARL L. WILLIAMS
General Counsel

10-19-02
DATE

REVIEWED BY:

GREGG FORTNER
Executive Director

10/18/02
DATE

B

SAN FRANCISCO HOUSING AUTHORITY

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October 14, 2002

TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

Sululagi Palega, Sr., President
Julie Lee, Vice-President
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

FROM: Gregg Fortner, SECRETARY/EXECUTIVE DIRECTOR

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTION OF AN INSURANCE POLICY WITH AND PAYMENT TO THE UNIGARD INSURANCE COMPANY FOR FLEET INSURANCE COVERAGE FOR FISCAL YEAR 2002-2003 IN AN AMOUNT NOT TO EXCEED $257,890.00

OVERVIEW:

The attached resolution is submitted for your review and approval to execute an insurance policy and purchase order in the amount of $257,890.00 for fleet insurance required by the San Francisco Housing Authority ("the Authority").

The Authority maintains insurance on its vehicular fleet through an outside insurance company. The Authority's policy for the 2001-2002 period expired on September 30, 3002. In order to secure continued coverage at a competitive rate, a solicitation was initiated and conducted through a third party insurance brokerage firm, and completed prior to the September 30th expiration date. Request for quotes were solicited from the Authority's present provider, the Unigard Insurance Group, as well as the following:

Crum & Forster Insurance Company – declined due to class of business. Their pricing would have exceeded $2,000 per vehicle;

Traveler's Insurance Group – issued indications of $2,000 per larger vehicles such as dump trucks, etc. and $1,500 per vehicle for all others; and

Scottsdale Insurance Company – declined to quote.

Due to the importance and the need to have continued fleet insurance and to avoid a lapse in coverage, the Authority proceeded to authorize the binding of renewal of a policy with the Unigard Insurance Company, pending Commission approval.

Unigard's quote provides coverage for 205 vehicles, as listed on the most recent Fleet Schedule at a price of $1,258.00 per vehicle, with the following limits:

- Bodily Injury and/or Property Damage $1 million any one loss
- Collision - $12,500 maximum loss - $1,000 deductible
- Comprehensive - $12,500 maximum loss - $250 deductible
- Medical Payments – Owned Vehicles only $5,000 any one loss

Upon review of the information submitted, it was determined that the Unigard Insurance Company could provide the level of insurance coverage in a manner that is most advantageous to the Authority, cost and other factors considered.

OBJECTIVE:

The objective is to obtain coverage for all of the Authority's fleet for the 2002-2003 policy period.

PRESENT SITUATION:

Presently, Unigard Insurance Group provides coverage for the Authority's fleet. The annual premium for the expiring coverage is $176,640.00 with a $1,000 deductible for collision coverage and a $250.00 deductible for comprehensive coverage.

ANTICIPATED OUTCOME:

The anticipated outcome is to renew coverage that is most advantageous for the Authority for the 2002-2003 policy period.

BUDGET CONSIDERATIONS:

Funding availability is part of the Authority's Low-Income Operating budget and the Section 8 budget for the Fiscal Year 2002-2003.

WHO BENEFITS:

The Authority benefits from full automobile insurance coverage.

RECOMMENDATION:

It is recommended that this resolution be adopted.

(Prepared by Victoria Adams, through Carl L. Williams, Office of General Counsel)

RESOLUTION NO.: _____
DATE ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTION OF AN INSURANCE POLICY WITH AND PAYMENT TO THE UNIGARD INSURANCE COMPANY FOR FLEET INSURANCE COVERAGE FOR FISCAL YEAR 2002-2003 IN AN AMOUNT NOT TO EXCEED $257,890.00

WHEREAS, the Authority, in order to insure its interest against risks associated with the use and operation of its vehicular fleet, it placed coverage with the Unigard Insurance Group by approval of Resolution No. 4834, dated October 28, 1999; and

WHEREAS, the Authority solicited, through a third party insurance brokerage form for fleet insurance coverage to replace the policy that expired on September 30, 2002; and

WHEREAS, responses were received from Unigard and the following insurance companies:

- *Crum & Forster Insurance Company* – declined due to class of business. However, indications revealed that pricing would have exceeded $2,000 per vehicle;
- *Traveler's Insurance Group* – issued indications of $2,000 per larger vehicles such as dump trucks, etc., and $1,500 per vehicle for all others;
- *Scottsdale Insurance Company* – declined to quote;
- *Unigard Insurance Group* - $1,258 per vehicle

WHEREAS, a review of all of the information provided was completed in accordance with the procurement regulations and it was determined that it was in the best interest of the Authority to renew fleet insurance with the Unigard Insurance Group; and

WHEREAS, in order to avoid a lapse in coverage, the Authority proceeded to authorize the binding and implementation of a policy pending Commission approval thereof; and

WHEREAS, funding for this service is available as part to the Authority's approved Low-Income Operating budget and Section 8 budget for the 2002-2003 fiscal year;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is authorized to provide funding for a fleet insurance policy with the Unigard Insurance Group in an amount not to exceed $257,890.00 for the 2002-2003 policy period.

2. This resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

CARL L. WILLIAMS
General Counsel

10-19-02
DATE

REVIEWED BY:

GREGG FORTNER
Executive Director

10/18/02
DATE

SAN FRANCISCO HOUSING AUTHORITY

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October 14, 2002

TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

Sululagi Palega, Sr., President
Julie Lee, Vice-President
Rev. Edgar E. Boyd, Commissioner
George Brown, Commissioner
Betty Smith, Commissioner
Andrew Clark, Commissioner
Neola Gans, Commissioner

FROM: Gregg Fortner, SECRETARY/EXECUTIVE DIRECTOR

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A PURCHASE ORDER TO PAY THE HOUSING AUTHORITY RISK RETENTION GROUP FOR GENERAL LIABILITY DEDUCTIBLES FOR THE 2002-2003 POLICY YEAR IN AN AMOUNT NOT TO EXCEED $300,000.00

OVERVIEW:

This resolution authorizes the Executive Director to execute a purchase order in an amount not to exceed $300,000.00 in order to pay the deductible amount for each claim submitted to the Housing Authority Risk Retention Group ("HARRG") during the 2002-2003 policy period.

The Authority, by Resolution No. 3006, dated May 28, 1987, accepted membership into HARRG. Under the terms and conditions of the policy, the Authority must submit to HARRG all claims that are valued over $500.00. Each claim submitted for handling has a retention amount, or deductible of at least $25,000.00, which the Authority is obligated to pay.

42710

PRESENT SITUATION:

Currently, the Authority has $300,000.00 budgeted for this expense. The funds will be paid out of the 2002-2003 Low-Income Operating budget as well as the Section 8 Budget. The expiring year, the Authority paid out approximately $246,732.10 in deductibles. It is anticipated that the Authority will pay approximately the same or more for this policy period. The deductible amounts are billed monthly by HARRG.

WHO BENEFITS:

The Authority benefits by not having to pay a lump sum for any claims whose deductible amount may reach the $25,000.00 threshold and by paying the monthly billing without processing delays.

RECOMMENDATION:

It is recommended that this resolution be approved giving authorization to the Executive Director to execute a purchase order made payable to the Housing Authority Risk Retention Group in an amount not to exceed $300,000.00.

(Prepared by Victoria Adams through Carl L. Williams for the Office of General Counsel)

RESOLUTION NO.: _____
DATE ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A PURCHASE ORDER TO PAY THE HOUSING AUTHORITY RISK RETENTION GROUP FOR GENERAL LIABILITY DEDUCTIBLES FOR THE 2002-2003 POLICY YEAR IN AN AMOUNT NOT TO EXCEED $300,000.00

WHEREAS, the Housing Authority of the City and County of San Francisco ("the Authority") by Resolution No. 3006, dated May 28, 1987, accepted membership into the Housing Authority Risk Retention Group ("HARRG") for the provisions of general liability insurance; and

WHEREAS, the Commission of the Authority approved renewal of its general liability coverage with HARRG for the 2002-2003 policy period; and

WHEREAS, the Authority's policy with HARRG requires the agency to pay a deductible in the amount of $25,000.00 for each general liability claim that it submits for handling by HARRG during the 2002-2003 policy period; and

WHEREAS, funding for the payment is available from the Authority's Low-Income Operating Budget and the Section 8 budget for the fiscal year 2002-2003;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is hereby authorized to execute a purchase order to pay the Housing Authority Risk Retention Group for the general liability deductibles for the 2002-2003 policy year in an amount not to exceed $300,000.00

2. This resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

Carl L. Williams
CARL L. WILLIAMS
General Counsel

10-18-02
DATE

REVIEWED BY:

GREGG FORTNER
Executive Director

10/15/02
DATE

SAN FRANCISCO HOUSING AUTHORITY

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TO: SAN FRANCISCO HOUSING AUTHORITY COMMISSIONERS

Sululagi Palega, Sr., President
Julie Lee, Vice-President
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty Smith, Commissioner
Andrew J. Clark, Commissioner
Neola Gans, Commissioner

FROM: Gregg Fortner, SECRETARY/EXECUTIVE DIRECTOR

SUBJECT: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO RENEW THE SAN FRANCISCO HOUSING AUTHORITY'S PROPERTY INSURANCE AND EXECUTE A PURCHASE ORDER FOR PAYMENT TO THE HOUSING AUTHORITY PROPERTY INSURANCE COMPANY IN AN AMOUNT NOT TO EXCEED $676,800.00

OVERVIEW:

Pursuant to the Public and Indian Housing Property/Casualty Insurance Requirements Guidebook 7401.5 ("the Guidebook"), date May 1996, the San Francisco Housing Authority ("the Authority") is required to maintain adequate property coverage based upon its risks. In accordance with 7401.5 of the Guidebook, the Authority is allowed to bind/renew coverage with a HUD approved captive insurance group.

The San Francisco Housing Authority's Property Insurance coverage is up for renewal for the 2002-2003 policy period. This resolution seeks approval for the Executive Director to renew property insurance with the Housing Authority Property Insurance Company of Cheshire, Connecticut, in an amount not to exceed $676,800.00.

42710

This year, HAPI provided two options for the SFHA to chose from. Neither option provides for blanket coverage for replacement cost as provided in the expiring coverage. Each option listed will have a $100,000,000.00 loss limit with a $25,000.00 deductible.

Option 1: provides an increase in the value of SFHA's properties to $495,462,429.00. The premium price would be $718,421.00. There would be an 80% coinsurance replacement cost, which means is that at the time of the loss, the building or unit must be insured for at least 80% of the replacement cost value. If the building is undervalued, then the insurance company will only pay whatever percentage that it is undervalued at.

Option 2: provides for an increase in value of SFHA's properties to $564,000,000.00. The premium price would be $676,800.00. There would be a 100% coinsurance replacement cost, which means that at the time of the loss, the building or unit must be insured at 100% of the replacement cost value. If the building is undervalued, then the insurance will only pay whatever percentage it is undervalued at.

In an effort to reduce insurance cost and obtain quotes from insurance companies in the private market, notices of interest were sent to four (4) major brokerage firms. The firms were Willis Insurance Services, Brown & Brown Insurance Services, Aon Risk Services and Pennbrook Insurance Services. The Authority received responses from only two of the companies, Willis Insurance and Aon Risk Services.

This solicitation yielded the following coverage package, which was provided by Willis Insurance Services.

Option 3: provides coverage through the Lexington Insurance Company. All buildings, rents and equipment will be insured at a total value of $462,821,677.00. The real property will be insured at $5 million per occurrence with a $50,000.00 deductible an annual premium of $550,000.00 for replacement costs. Excess up to $30 million will be split between two carriers, Chubb and Royal Surplus Lines for an additional premium of $130,000.00. The total premium for this package coverage is $680,000.00.

Aon was unable to obtain any quotes on behalf of the SFHA.

The dramatic increase in premium cost has been dictated by the unusually high number of natural disasters over the past few years and the tragedy of September 11, 2001. It is difficult to place coverage at this time during what is considered to be an extremely hard market.

OBJECTIVE:

The objective is to obtain property/casualty insurance coverage for the 2002-2003 policy period that is most advantageous and affordable for the Authority.

PRESENT SITUATION:

Presently, HAPI provides coverage for all of the Authority's buildings, which are valued at $424,000,000.00. The annual premium for the expiring coverage was $393,654.00, with a $25,000.00 deductible per loss.

ANTICIPATED OUTCOME:

The anticipated outcome is to renew coverage that is most advantageous for the Authority for the 2002-2003 policy period.

WHO BENEFITS:

The Authority benefits from renewing coverage with HAPI because of the additional services that the company offers. Unlike traditional insurance companies, HAPI allows the Authority the flexibility of paying its premium in quarterly installments instead of one lump sum.

Also, HAPI has a professional staff available to assist the Authority with property issues unique to the housing industry, in addition to provide training services for housing staff.

RECOMMENDATION:

It is recommended that the Authority renew coverage with the Housing Authority Property Insurance Company.

(Prepared by Victoria Adams, through Carl L. Williams, Office of General Counsel)

RESOLUTION NO.: _____
DATE ADOPTED: _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO RENEW THE SAN FRANCISCO HOUSING AUTHORITY'S PROPERTY INSURANCE AND EXECUTE A PURCHASE ORDER FOR PAYMENT TO THE HOUSING AUTHORITY PROPERTY INSURANCE COMPANY IN AN AMOUNT NOT TO EXCEED $676,800.00

WHEREAS, Section 305, Part Two of the Annual Contributions Contract dated August 27, 1964, as amended, between the Housing Authority of the City and County of San Francisco ("the Authority") and the U.S. Department of Urban Development ("HUD") requires the Authority to insure its interest against risks associated with its particular type of operation; and

WHEREAS, by Resolution No. 4750, dated 12/10/98, the Authority placed coverage with the Housing Authority Property Insurance Company ("HAPI"); and

WHEREAS, HAPI submitted a quote for renewal for the Authority's property insurance for the 2002-2003 policy period; and

WHEREAS, Option 2 presented by HAPI provides for an increase in value of SFHA's properties to $564,000,000.00, at a premium price of $676,800.00. There would be a 100% coinsurance replacement cost; and

WHEREAS, Option 2 provides for a loss limit of $100,000,000.00 with a deductible of $25,000.00 per occurrence; and

WHEREAS, insurance on all property owned and operated by the Authority is a necessary and required expense, and in accordance with the procurement regulations under 24 CFR, part 85.369, the Authority should accept the property insurance offered by HAPI; and

WHEREAS, the Authority's current coverage with HAPI was due to expire on October 1, 2002, however, in order to avoid a lapse in coverage, a one month extension was obtained; and

WHEREAS, funding for the insurance services described herein is available as part of the Authority's Low-Income Operating Budges;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Executive Director is hereby authorized to renew coverage with the Housing Authority Property Insurance and to execute a purchase order to pay the same in an amount not to exceed $$676,800.00.
2. This resolution shall take effect immediately.

APPROVED AS TO FORM AND LEGALITY:

Carl L. Williams

CARL L. WILLIAMS
General Counsel

12-19-02
DATE

REVIEWED BY:

GREGG FORTNER
Executive Director

10/18/02
DATE

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SAN FRANCISCO HOUSING AUTHORITY

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DATE: October 10, 2002

TO: San Francisco Housing Authority Commission

Sululagi Palega, Sr., President
Julie Lee, Vice President
Rev. Edgar E. Boyd, Commissioner
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner
Neola Gans, Commissioner

FROM: Gregg Fortner, Executive Director

SUBJECT: RESOLUTION APPROVING THE WRITE-OFF OF VACATED TENANT ACCOUNTS RECEIVABLE IN THE AMOUNT OF $451.041.00 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002.

OVERVIEW

The San Francisco Housing Authority Board of Commissioners is requested to authorize the write-off of vacated tenant accounts receivable totaling $451,041.00 for the fiscal year period of October 1, 2001 through September 30, 2002 (FY02).

TIMEFRAME

Pursuant to HUD Handbook 7511.1, Chapter 11, Section 1, the SFHA writes off vacated tenant accounts receivables with no activity or anticipated collection action. These vacated tenants accounts receivables are balances owed to the SFHA for the non-payment of rent and/or other charges by households who are no longer living in a SFHA unit. Writing off such accounts does not preclude the SFHA from pursuing collection actions against the vacated residents. Moreover, residents who vacate without paying off their delinquent accounts are not permitted to receive public housing assistance in the future unless their outstanding balances are paid in full.

The SFHA reports delinquent accounts to the National Tenant Network (NTN) for current credit information. Whenever a former SFHA resident with a delinquent account applies for housing assistance anywhere in the United States, the NTN notifies the SFHA. Before any participating housing agency accepts a former SFHA resident, a repayment agreement must be made with the SFHA to settle the entire delinquent balance.

OBJECTIVE

The objective of writing off $451,041.00 in vacated tenant accounts receivables is to comply with the HUD guidelines and to follow generally accepted accounting principles (GAAP) for fiscal year-end recording and financial statement purposes.

PRESENT SITUATION

The Commission must authorize the write-off of accounts receivable balances before any accounting entry is recorded for the fiscal year ended September 30, 2002. With the Commission's authorization, the accounts receivable write-off and other unrelated closing accounting entries will proceed and the November 30, 2002 submittal deadline to HUD for the unaudited financial statements can be met.

ANTICIPATED OUTCOME

The anticipated outcome is that the SFHA will more accurately reflect the outstanding tenant accounts receivable balance for the new fiscal year, beginning October 1, 2002. The adjusted accounts receivable will be used to determine the final score for Indicator 2 of the Public Housing Assessment System (PHAS): Financial Condition – Tenant Receivables Outstanding.

WHO BENEFITS

This resolution benefits the Authority by ensuring compliance with the HUD and GAAP guidelines and by accurately reflecting the Tenant Receivables Outstanding for the PHAS score report.

BUDGET CONSIDERATION

Collection losses were budgeted at $180,000 for FY02. The SFHA is pursuing a more aggressive write-off practice this fiscal year (FY02) to more accurately reflect the collections of tenant accounts receivable.

IMPLEMENTATION

The Commission must approve any write-off from tenant accounts receivable prior to entering any accounting adjustment.

RECOMMENDATION

It is recommended that the Board of Commissioners approve the attached resolution authorizing the write-off of vacated tenant accounts receivable in the amount of $451,041.00 for the fiscal year ended September 30, 2002.

RESOLUTION NO.: _____
DATE ADOPTED: _____

RESOLUTION APPROVING THE WRITE-OFF OF VACATED TENANT ACCOUNTS RECEIVABLE IN THE AMOUNT OF $451,041.00 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2002

WHEREAS, HUD Handbook 7511.1, Chapter 11, Section 1 details procedures on the write-off of vacated tenant accounts receivable, and the San Francisco Housing Authority is in compliance with those procedures and is following generally accepted accounting principles for year-end recording and financial reporting purposes; and

WHEREAS, the HUD Handbook requires that any write-off of tenant accounts receivable must be approved by the Board of Commissioners or by a designated official to whom such authority has been delegated by the Board of Commissioners; and

WHEREAS, the Board of Commissioners is authorized by Resolution No. 2784, dated February 27, 1986, to write off tenant accounts;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The vacated tenant accounts receivable approved for write-off for the fiscal year ended September 30, 2002, shall be $451,051.00.

2. This resolution shall take affect immediately.

APPROVED AS TO FORM AND LEGALITY:

Carl Williams, General Counsel

10-18-02
Date

REVIEWED BY:

Gregg Fortner, Executive Director

10/18/02
Date

(10)

RESOLUTION NO. _____
DATE ADOPTED: _____

RESOLUTION AFFIRMING THAT THE SAN FRANCISCO HOUSING AUTHORITY EXECUTE AN EMPLOYMENT AGREEMENT WITH EXECUTIVE DIRECTOR GREGG FORTNER; AND RESOLUTION AUTHORIZING THE EXECUTION OF THE EMPLOYMENT AGREEMENT BETWEEN THE SAN FRANCISCO HOUSING AUTHORITY AND EXECUTIVE DIRECTOR GREGG FORTNER

WHEREAS, by its Resolution No. 5030, the Board of Commissioners of the San Francisco Housing Authority appointed Gregg Fortner Executive Director on April 11, 2002; and

WHEREAS, Gregg Fortner has met and conferred with the Personnel Committee of the Commission and the Commission as a whole, regarding the terms and conditions of an Employment Agreement between Gregg Fortner and the San Francisco Housing Authority; and

WHEREAS, at its regularly scheduled meeting on September 12, 2002, the Commissioners of the San Francisco Housing Authority voted to approve the Employment Agreement between Gregg Fortner and the San Francisco Housing Authority on the terms and conditions negotiated with the Personnel Committee; and

WHEREAS, the Commission of the San Francisco Housing Authority wishes to execute an Employment Agreement with Gregg Fortner; and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SAN FRANCISCO THAT:

1. The Board of Commissioners and the San Francisco Housing Authority is hereby authorized to execute the Employment Agreement with Gregg Fortner that was negotiated with the Personnel Committee the Commission as a whole, and which is attached to and incorporated by reference to this Resolution.

2. This Resolution shall become effective immediately.

APPROVED AS TO FORM:

Carl L. Williams, General Counsel
Dated: October 21, 2002

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HOUSING AUTHORITY
OF THE
CITY AND COUNTY OF SAN FRANCISCO

Minutes of Regular Meeting
Thursday, October 24, 2002

440 Turk Street
San Francisco, California

The Housing Authority of the City and County of San Francisco met in a regularly scheduled meeting at 440 Turk Street, San Francisco, California on Thursday, October 24, 2002, at 4:00 p.m.

President Sululagi Palega called the meeting to order at 4:10 p.m.

1. ROLL CALL

Roll call found the following members to be:

PRESENT:
Sululagi Palega, Sr., President (excused at 4:45 p.m.)
Julie Lee, Vice President
George R. Brown, Commissioner
Betty J. Smith, Commissioner
Andrew Clark, Commissioner (excused at 5:35 p.m.)
Neola Gans, Commissioner

A quorum was present.

ALSO PRESENT:
Mr. Gregg Fortner, Executive Director/Secretary
Mr. Carl L. Williams, General Counsel

2. APPROVAL OF AGENDA

President Palega requested that the Agenda be amended to add Rev. Boyd's address to the Commission proceeding the approval of the Agenda. Executive Director Gregg Fortner asked that Item E under, New Business, be removed from the Agenda. Commissioner Clark moved to approve the agenda as amended. Commissioner Smith seconded the motion. The motion to approve the agenda was carried by a unanimous vote.

Rev. Boyd addressed the Board of Commissioners and the public. Rev. Boyd announced that over the weekend he was sworn in as a Commissioner for the Planning Commission of San Francisco. Due to this new appointment, he would no longer be serving on the Housing Commission. Rev. Boyd expressed his appreciation for the Housing Commission's collegiality and stated that his experience with the Commission has expanded and enlightened his perspective. Rev. Boyd said that he did not take this position lightly and thanked Mayor Brown for the opportunity. Furthermore, Rev. Boyd

stated his appreciation and admiration for Gregg Fortner and his diligent efforts. He strongly encouraged the Commission to give Mr. Fortner a contract.

3. APPROVAL OF MINUTES

Commissioner Brown moved to approve the minutes of the October 10, 2002 Regular Commission Meeting. Commissioner Clark seconded the motion. The motion to approve the minutes was carried by a unanimous vote.

4. GENERAL COMMUNICATIONS

Executive Director Gregg Fortner reported that the Log of Commissioners' Requests had been updated. Mr. Fortner asked the Commission to carefully review the contents of the Commission folder. Included in the folder was the Final Report of the Court Appointed Monitor in the Truong v. SFHA, the Testimony of Buddy Choy, the HTVN Program Schedule, the Resident Hiring Policy/ Minimum Dollar Thresholds, Edgar Boyd's letter of resignation, and the update of tenants Sheree LeBlanc, and Roanae Kent.

5. REPORT OF SECRETARY

Executive Director Gregg Fortner asked that everyone observe a moment of silence for Billy Taylor who tragically died the previous week. Proceeding the observation, Mr. Fortner commended Billy Reed on his retirement after 24 years of service. Executive Director Gregg Fortner read, and presented Billy Reed with a framed resolution acclaiming his service to the San Francisco Housing Authority. Mr. Reed accepted the presentation and expressed his appreciation to the Commission and the San Francisco Housing Authority. Mr. Reed commented that his heart would always treasure his experience and all of the people he has met at the Housing Authority.

6. COMMITTEE REPORTS

Diversity Committee
Commissioner Smith reported that the Diversity Committee met on October 23, 2002. During the meeting reports were given by staff regarding management and diversity compliance, vacancy concerns, and inadequate home-care. Commissioner Smith reported that everyone who used to live in the North Beach development had been relocated. In addition, assistance is being given to tenants through the initiation of a clothing closet program for the disabled.

Finance Committee
President Palega announced that the Finance Committee would be meeting on November 12, 2002 at 4:30 p.m.

Personnel Committee
President Palega asked Commissioner Brown if he would serve on the Personnel Committee. Commissioner Brown gladly accepted the appointment.

7. REPORT OF GENERAL COUNSEL

General Counsel Carl Williams asked the Commission to consider the holiday schedule of the regularly scheduled Commission meetings. The second scheduled meeting in November falls on the Thanksgiving holiday, and the second scheduled meeting in December falls on the day after the Christmas holiday. Mr. Williams encouraged the Commission to decide at the November 14th meeting, if the meetings scheduled close to holidays would be cancelled, and if any Special Meetings would be called. Mr. Williams stated that the items noticed under Closed Session would be discussed therein.

8. TENANT REPRESENTATIVE REPORT

City Wide Council - Senior/Disabled
President William Vitalie thanked Executive Director Gregg Fortner for attending their general meeting on October 21, 2002. Mr. Vitale also reported that on November 18, 2002 the City Wide Council – Senior/Disabled will hold a seminar, Taking Charge When Life is Out of Control. The organization is also leading a donation effort for their party on December 10, 2002. Mr. Vitale solicited suggestions for a successful donation drive.

Public Housing Tenants Association (PHTA)
There was no report from the Public Housing Tenants Association.

9. PUBLIC COMMENTS ON AGENDA ITEMS: LIMITED TO 2 MINUTES

NOTE: *The public will have the opportunity to comment on agenda items prior to any action taken by the Commission pursuant to the San Francisco Housing Authority Rules Governing Public Testimony adopted 2/23/95 as Resolution No. 4423. Prior to adjournment, after Item No. 11, the public will have the opportunity to comment on items not on the agenda.*

LaWanna Preston representing the Local 790 SEIU commented on contract issues and explained that there are threats of six people being laid off, but the names will not be revealed. Ms. Preston stressed that these are working conditions no one should be subjected to.

10. UNFINISHED BUSINESS:

There was no unfinished business

11. NEW BUSINESS

Prior to the Commission's consideration of New Business items A through D, Executive Director Gregg Fortner suggested that due to the related nature of the resolutions, they simultaneously be considered for approval. The Commissioners agreed to do so.

RESOLUTION No. 5059

(A) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO RENEW THE SAN FRANCISCO HOUSING AUTHORITY'S GENERAL LIABILITY INSURANCE AND EXECUTE A PURCHASE ORDER FOR PAYMENT TO THE HOUSING AUTHORITY RISK RETENTION GROUP IN AN AMOUNT NOT TO EXCEED $1,677,744.00

RESOLUTION No. 5060

(B) RESOLUTION AUTHORIZING THE EXECUTION OF AN INSURANCE POLICY WITH AND PAYMENT TO THE UNIGARD INSURANCE COMPANY FOR FLEET INSURANCE COVERAGE FOR FISCAL YEAR 2002-2003 IN AN AMOUNT NOT TO EXCEED $257,890.00

RESOLUTION No. 5061

(C) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A PURCHASE ORDER TO PAY THE HOUSING AUTHORITY RISK RETENTION GROUP FOR GENERAL LIABILITY DEDUCTIBLES FOR THE 2002-2003 POLICY YEAR IN AN AMOUNT NOT TO EXCEED $300,000.00

RESOLUTION No. 5062

(D) RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO RENEW THE SAN FRANCISCO HOUSING AUTHORITY'S PROPERTY INSURANCE AND EXECUTE A PURCHASE ORDER FOR PAYMENT TO THE HOUSING AUTHORITY PROPERTY INSURANCE COMPANY IN AN AMOUNT NOT TO EXCEED $676,800.00

Victoria Adams, Risk Manager in the Office of General Counsel presented the details of the resolutions. Ms. Adams stated that Resolution A was for the renewal of the liability coverage with the Housing Authority Risk Retention Group (HARRG). HARRG has provided liability coverage in the areas of bodily injury, property damage, public officials, lead base paint, law enforcement, employee benefits, and owned/ non-owned hired vehicles since 1986. The renewal premium for the liability coverage was higher than last year's amount. Ms. Adams stated that due to the climate of today's market, there was no alternative and all of the premiums were increased by a mandated 10%.

Commissioner Clark questioned why there was no alternative to HARRG. Ms. Adams stated that no additional quotes were received. Commissioner Clark also asked how the

four brokerage firms were chosen. Ms. Adams answered that the Authority must ensure that the brokerage firms can solicit companies that provide commercial liability and these four did. Commissioner Clark asked if the two responses received were quotes. Ms. Adams explained that the correspondence received by the Authority were notices of interest. Commissioner Clark explained that in a previous conversation with Mr. Fortner, he had inquired about professional liability coverage, and wanted to know if this had been addressed by HARRG. Ms. Adams affirmed that it had, and is referred to as director's and officials coverage. The director's and officials coverage in this policy is one million dollars per occurrence and a one million dollar aggregate. Commissioner Clark wanted to know if there was a company that provided consulting to review the SFHA insurance needs and get the most for the money spent. Ms. Adams informed the Commissioners that the brokerage firms have auditors that thoroughly assess the current coverage of the SFHA and provide recommendations based on their determinations. Furthermore, the brokerage firms found that most companies are not willing to underwrite coverage for this type of business. Mr. Fortner stated that in the future an RFP could be administered to solicit consulting companies. In response to Commissioner Clark's question, Ms. Adams stated that the last day of the current policy is October 31, 2002.

General Counsel Carl Williams requested that Ms. Adams detail when the brokerage firms were obtained, how long the SFHA searched the market, and the current market conditions. Ms. Adams explained that the initial contact with various brokerage firms began in late May. By June, these firms were given information about the SFHA that would help assess the Authority's insurance needs and began the solicitation process. In August, the brokerage firms reported that there were no companies that there were willing to underwrite the SFHA insurance coverage. Insurance companies consider housing a "hard market," therefore, it is difficult to determine how much will potentially be spent and insurance companies prefer not to provide coverage. Furthermore, Ms. Adams informed the Commission that insurance companies have yet to determine how much will be spent to cover the claims of the tragedy of September 11, 2001 and have overwhelmingly decided not to underwrite new businesses in a hard market.

Commissioner Clark asked why only one week was permitted for review before the cancellation of the SFHA insurance coverage. Ms. Adams explained that this insurance company was only willing to underwrite one million dollars prior to October 1, 2002. The excess coverage was quoted 30 days before the expiration of the 2001-2002 insurance policy.

Commissioner Smith asked if HARRG is the same company insuring the SFHA now, and whether there are any issues with their service. Mr. Williams stated that the SFHA has no problems with the coverage provided by HARRG. The only occasional issues that arise derive from the administration of the policy regarding whether or not a claim is covered and if HARRG will indemnify for it. Mr. Williams urged the Commission to approve the insurance resolutions.

Commissioner Lee expressed that she is in agreement with Commissioner Clark. She also believes that the Authority should do a better job of ensuring that the SFHA is properly covered. Commissioner Clark reiterated his primary concerns. He believed that with the proper policy review, the appropriate coverage could have avoided the current litigation issues, and help prevent new litigation matters. Ms. Adams declined to comment given the confidential nature of Commissioner Clark's concerns. Ms. Adams affirmed that HARRG is the only company willing to provide the SFHA with insurance coverage.

The Commissioners decided to vote on the approval of New Business Items A-D individually.

Commissioner Brown moved to approve Resolution No. 5059. Commissioner Smith seconded the motion. Resolution No. 5059 was approved by a unanimous vote.

Regarding New Business Item B, Commissioner Clark asked if HARRG provides automobile insurance coverage, and if so, why are we not utilizing their services for the fleet. Ms. Adams responded that HARRG does provide auto insurance, but the adoption of this resolution would continue an already existing policy. In addition, HARRG has made no indication that they could provide the SFHA with a better bargain that $1200 per vehicle.

Commissioner Brown moved to approve Resolution No. 5060. Commissioner Gans seconded the motion. Resolution No. 5060 was approved by a unanimous vote.

Ms. Adams explained that the resolution under New Business Item C would enable the establishment of a purchase order to make monthly installments on the general liability insurance deductible. Commissioner Smith asked how much the monthly invoices would be. Ms. Adams stated that the amount varies based on the number of claims submitted at one time. Mr. Fortner clarified that New Business Item C is in relation to how New Business Item A will be paid. Commissioner Clark asked for an estimated cost. Ms. Adams stated that last year, $246,700 was paid towards the deductible.

Commissioner Clark moved to approve Resolution No. 5061. Commissioner Brown seconded the motion. Resolution No. 5061 was approved by a unanimous vote.

Commissioner Clark asked if there was a deductible for the Fleet insurance. Ms. Adams answered that there is. The insurance pays for the repair less the $1,000 deductible for a collision and $250 deductible for comprehension. The Housing Authority pays the difference.

In reference to New Business item D, Commissioner Brown asked if the increased amount was due to the additional coverage of Bernal Dwellings. Ms. Adams affirmed his question and added that the increased cost is also attributed to the current nature of the market.

Commissioner Clark moved to approve Resolution No. 5062. Commissioner Gans seconded the motion. The motion to approve Resolution No. 5062 was passed by a unanimous vote.

12. PUBLIC COMMENTS ON ITEMS NOT ON AGENDA

Jacquelina Laurent was not present to address the Commission.

Joyce Dawson was not present to address the Commission.

Brenda Pierce was not present to address the Commission.

13. CLOSED SESSION

Vice President Lee announced that the Commission had concluded its public agenda items and would go into closed session. A closed session was scheduled with the Executive Director, General Counsel and outside counsel under Government Code 54957 regarding the Employment Agreement between the Executive Director and the San Francisco Housing Authority; also consultation with General Counsel and Executive Director regarding ongoing litigation procedures and policies regarding enforcement of San Francisco Housing Authority Residential Dwelling Lease. The specific identification of pending cases was not disclosed to avoid jeopardizing possible resolution and to avoid prejudicing the position of the SFHA; and consultation with the Executive Director and General Counsel regarding pending litigation. The Commission went into closed session at 5:02 p.m.

14. RECONVENING OF THE COMMISSION MEETING

The Commission reconvened at 5:52 p.m. The Commission met in closed session to discuss the items noticed on the agenda. The Commissioners present in the closed session were Vice President Lee and Commissioners Smith, Brown, Clark, and Gans. Commissioner Lee announced that the Commission unanimously approved the execution of the Executive Director Gregg Fortner's contract. General Counsel Carl Williams added that New Business Item F, regarding the Executive Director's contract was discussed in closed session.

RESOLUTION No. 5063

(F) RESOLUTION AFFIRMING THAT THE SAN FRANCISCO HOUSING AUTHORITY EXECUTE AN EMPLOYMENT AGREEMENT WITH EXECUTIVE DIRECTOR GREGG FORTNER; AND RESOLUTION AUTHORIZING THE EXECUTION OF THE EMPLOYMENT AGREEMENT

BETWEEN THE SAN FRANCISCO HOUSING AUTHORITY AND EXECUTIVE DIRECTOR GREGG FORTNER

Commissioner Clark excused himself from the Closed Session at 5:35 p.m. Prior to leaving, he casted an affirmative vote in favor of item F.

Resolution No. 5063 was approved by a unanimous vote.

15. COMMISSIONER'S COMMENT AND REPORT

There were no comments or reports from the Commission.

16. ADJOURNMENT

There being no further business to come before the Commission, Vice President Lee adjourned the meeting. The regularly scheduled meeting of October 24, 2002 was adjourned at 5:54 p.m.

Gregg Fortner, Secretary/Executive Director

Julie Lee, Vice President